

STATEMENT OF PURPOSE

RS18715

This legislation would amend Title 49, Idaho Code, to increase the standard motor vehicle registration fees for passenger cars with a gross vehicle weight (GVW) of 8,000 pounds or less. The registration fees for cars and light trucks would increase in an amount ranging from \$16 per year to \$36 per year, and the age categories of vehicles would change. Motorcycle registration fees would increase \$5.50 per year.

The increased revenue from the motor vehicle fees shall be used to address the increasing shortfall in money to maintain and preserve Idaho highways. The following are conditions for the funds raised by increased motor vehicle registration fees: 1) Except for a small portion of the funds that go to administrative costs per statute, the funds will be distributed as follows: 60% to the Idaho Transportation Department and 40% to local government units. 2) All of the 60% portion going to the Idaho Transportation Department will be placed in a dedicated fund established for maintenance, preservation, and restoration of state highways. The Idaho Transportation Department may not spend any of this money on roads until the Department implements a statewide coordinated pavement management system.

FISCAL NOTE

The increased fees on motor vehicles will raise an additional \$28 million dollars, of which \$24.9 million will go into the "maintenance, preservation, and restoration" fund. Sixty percent (60%) of the \$24.9 million (\$15 million) will go to the Idaho Transportation Department, and approximately \$10 million will go to local units of government.

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