



# NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

## Legislative Fiscal Note

**Short Title:** Federal Motor Carrier Safety/PRISM.  
**Bill Number:** Senate Bill 105 (First Edition)  
**Sponsor(s):** Senators J. Jackson, J. Davis, and Britt

### SUMMARY TABLE

#### FISCAL IMPACT OF S.B.105, V.1

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
<b>State Impact</b>					
Highway Fund Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Less Expenditures	\$ 369,000	\$ 36,900	\$ 36,900	\$ 36,900	\$ 36,900
<b>Highway Fund Impact</b>	<b>\$ (369,000)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>
<b>NET STATE IMPACT</b>	<b>\$ (369,000)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>	<b>\$ (36,900)</b>

**TECHNICAL CONSIDERATIONS:** See Technical Considerations Section

### FISCAL IMPACT SUMMARY

It is estimated that S.B. 105 will result one-time costs of \$369,000 in the first year and annual maintenance costs of \$36,900 beginning in year two.

S.B. 105 implements requirements of the Federal Motor Carrier Safety Administration’s (FMCSA) Performance and Registration Information Systems Management (PRISM) Program.

**Section 1** authorizes DMV to collect and maintain necessary motor carrier and commercial motor vehicle data in a manner that complies with federal standards.

**Section 2** amends G.S. 20-54(9) by requiring the DMV to deny vehicle registration for a motor carrier for the following reasons:

- Failed to disclose material information required;
- Provided a materially false statement on the application;
- Applied as a subterfuge for the real party in interest who has been issued a Federal out-of-service order; or,
- If the motor carrier’s business is controlled or affiliated with a person who is ineligible for registration.

DMV will also be required to deny registration for a vehicle that has been assigned for safety to a commercial motor carrier who has been prohibited from operating by the FMCSA or a carrier whose business is operated, managed, or otherwise controlled or affiliated with a person who is ineligible for registration.

**Section 3** amends G.S. 20-110 to make conforming changes to the cancelling and rescinding of a vehicle of a motor carrier.

**Section 4** amends G.S. 20-381(a) to broaden the powers of the Department of Public Safety (DPS) to (1) prohibit the operation of intrastate motor carriers subject to any out-of-service order issued by DPS or by FMCSA and (2) enforce any FMCSA order.

**Section 5** makes all changes effective 90 days after becoming law.

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## **FISCAL ANALYSIS**

### **Sections 1-3**

DMV operates and maintains the computer systems that maintains vehicle data and motor carrier data. Vehicle data resides in STARS and motor carrier data in the IRP system. Both systems will require technical modifications for full compliance with expanded federal requirements.

DMV estimates that the changes required by S.B. 105 will incur one-time costs of \$369,000 to develop and modify the STARS and IRP systems for federal compliance. This estimate includes an estimated 4,630 in-house labor hours. Additionally, it is estimated that maintenance costs will be \$36,900 annually following the completion of program modification.

### **Section 4**

S.B. 105, Section 4 does not have a fiscal impact.

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## **TECHNICAL CONSIDERATIONS**

DMV cannot implement this law within 90 days due to the time estimated by DMV to complete modifications to the STARS and IRP systems. DMV proposes a new effective date of August 31, 2020.

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## **DATA SOURCES**

DIVISION OF MOTOR VEHICLES, DEPARTMENT OF TRANSPORTATION, NORTH CAROLINA STATE HIGHWAY PATROL

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## **LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS**

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.



**CONTACT INFORMATION**

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Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

**ESTIMATE PREPARED BY**

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Signed copy located in the NCGA Principal Clerk's Offices