

LSC Greenbook

Analysis of the Enacted Budget

Motor Vehicle Repair Board

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ATTACHMENT:

Budget Spreadsheet By Line Item

Motor Vehicle Repair Board

- Budget supports maintenance of FY 2015 service and activity levels
- Fee-driven budget
- About 90% of funding for payroll expenses

OVERVIEW

Duties and Responsibilities

The Motor Vehicle Repair Board is responsible for the registration and regulation of collision repair facilities, auto glass replacement and repair businesses, airbag replacement and repair businesses, mobile auto repair units, and window tint installers. Around 1,700 businesses are registered with the Board, each of which is required to pay an annual registration fee of \$225.¹

The Board's governing authority consists of seven members appointed by the Governor with the advice and consent of the Senate. The Board is required to meet at least four times per year. Members receive a per diem amount fixed by state law when attending to board matters and are compensated for expenses incurred in the discharge of their duties. The Board's day-to-day operations are handled by five full-time employees (an executive director, a program administrator, and three investigators).

Appropriation Overview

The Board is entirely supported by money appropriated from the Occupational Licensing and Regulatory Fund (Fund 4K90). Under the enacted budget, the Board will receive non-GRF appropriations totaling \$484,292 in each of FYs 2016 and 2017.

Motor Vehicle Repair Board Appropriations by Fund Group, FY 2016 and FY 2017 (Am. Sub. H.B. 64)					
Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
Dedicated Purpose	\$489,917	\$484,292	-1.2%	\$484,292	0.0%

*FY 2015 figures represent actual expenditures.

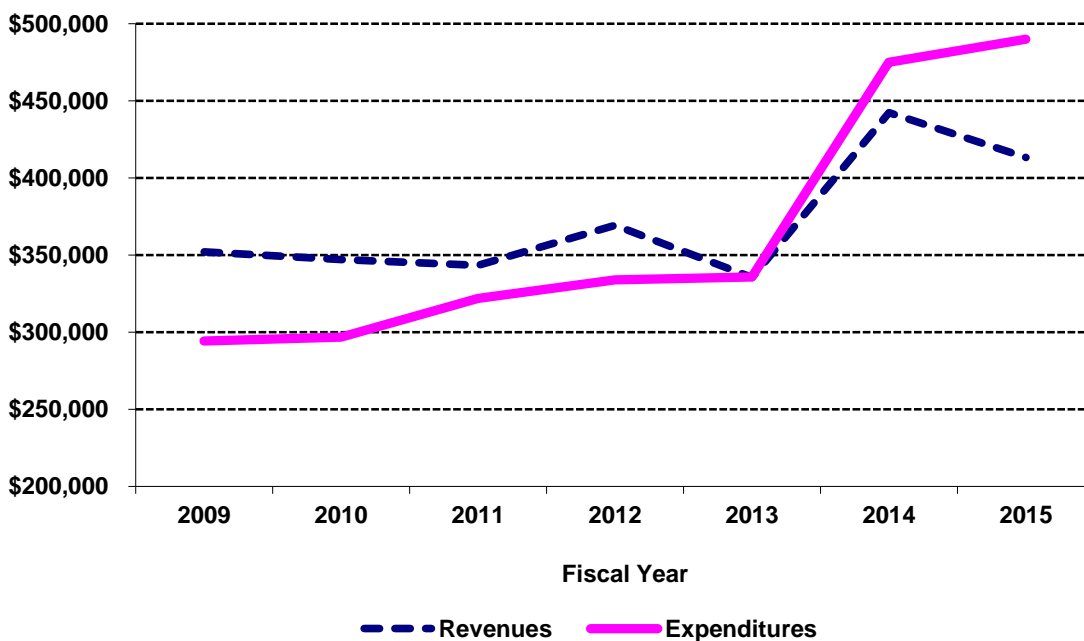
¹ Registration-exempted groups include: motor vehicle, auction and salvage dealers, fleet operations (these entities are already licensed under other specific state laws and governance), and hobbyists repairing four or less motor vehicles in a calendar year.

Cash Flow Activity

The Motor Vehicle Repair Board is one of around 25 occupational licensing and regulatory boards and commissions that deposit all, or most, of their revenue collections into the Occupational Licensing and Regulatory Fund (Fund 4K90), and draw on that fund to finance most, if not all, of their annual operating expenses.

The chart below shows the Board's total annual revenue collections and expenditures from FYs 2009 through 2015. Subsequent to the Controlling Board's approval of the \$225 annual registration fee in October 2006, the Board ran annual surpluses more or less through FY 2013. Since then, the Board has incurred an operating deficit, as annual expenditures have exceeded annual revenues. This is a direct result of Sub. S.B. 114 of the 129th General Assembly, effective March 22, 2013, which expanded the Board's jurisdiction to include motor vehicle window tint operators. The Board hired two additional staff persons to comply with the increased responsibility. The annual revenue stream, however, has been insufficient to cover the related increase in annual operating costs.

**Motor Vehicle Repair Board Revenues and Expenditures,
FY 2009-FY 2015**



ANALYSIS OF ENACTED BUDGET

The table below shows the appropriations for the Board's lone non-GRF financing mechanism, and is followed by an analysis of the purpose for which those appropriations will be allocated.

Motor Vehicle Repair Board Line Item Appropriations				
Fund	ALI and Name		FY 2016	FY 2017
Dedicated Purpose Fund (DPF) Group				
4K90	865601	Operating Expenses	\$484,292	\$484,292

Operating Expenses (DPF line item 865601)

This line item is used to pay for the Board's annual operating expenses. For this purpose, the budget appropriates \$484,292 in each of FYs 2016 and 2017, amounts that are \$5,625, or 1.2%, less than FY 2015 actual expenditures of \$489,917. Around 90% of each year's appropriation will be allocated for personal services (payroll-related expenses), with the remainder largely covering supplies and maintenance. These appropriations are expected to be sufficient for the Board to maintain FY 2015 service and activity levels over the course of the FY 2016-FY 2017 biennium.

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FY 2016 - FY 2017 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2015 to FY 2016	Appropriation	FY 2016 to FY 2017		
			FY 2014	FY 2015	FY 2016	% Change	FY 2017	% Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
CRB Motor Vehicle Repair Board								
4K90	865601	Operating Expenses	\$ 474,985	\$ 489,917	\$ 484,292	-1.15%	\$ 484,292	0.00%
Dedicated Purpose Fund Group Total			\$ 474,985	\$ 489,917	\$ 484,292	-1.15%	\$ 484,292	0.00%
Motor Vehicle Repair Board Total			\$ 474,985	\$ 489,917	\$ 484,292	-1.15%	\$ 484,292	0.00%