

Greenbook
LSC Analysis of 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 2017 service and activity levels
- Fee-driven budget
- About 84% of funding for payroll expenses

OVERVIEW

Agency Overview

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.¹ Approximately 1,850 businesses are registered with the Board, each of which is required to pay an annual registration fee of \$300.² The fee is credited to the Occupational Licensing and Regulatory Fund (Fund 4K90).

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, two investigators, and an investigator assistant).

Appropriations Overview

The Board is entirely supported by money appropriated from Fund 4K90. Under the enacted budget, the Board will receive non-GRF appropriations totaling \$587,371 in FY 2018 and \$604,593 in FY 2019.

Motor Vehicle Repair Board Appropriations by Fund Group, FY 2018-FY 2019 (Am. Sub. H.B. 49)					
Fund Group	FY 2017*	FY 2018	% change, FY 2017-FY 2018	FY 2019	% change, FY 2018-FY 2019
Dedicated Purpose	\$541,460	\$587,371	8.5%	\$604,593	2.9%

*FY 2017 figure represents actual expenditures.

¹ The Board was created as a result of the enactment of Am. Sub. H.B. 143 of the 122nd General Assembly, effective December 18, 1997.

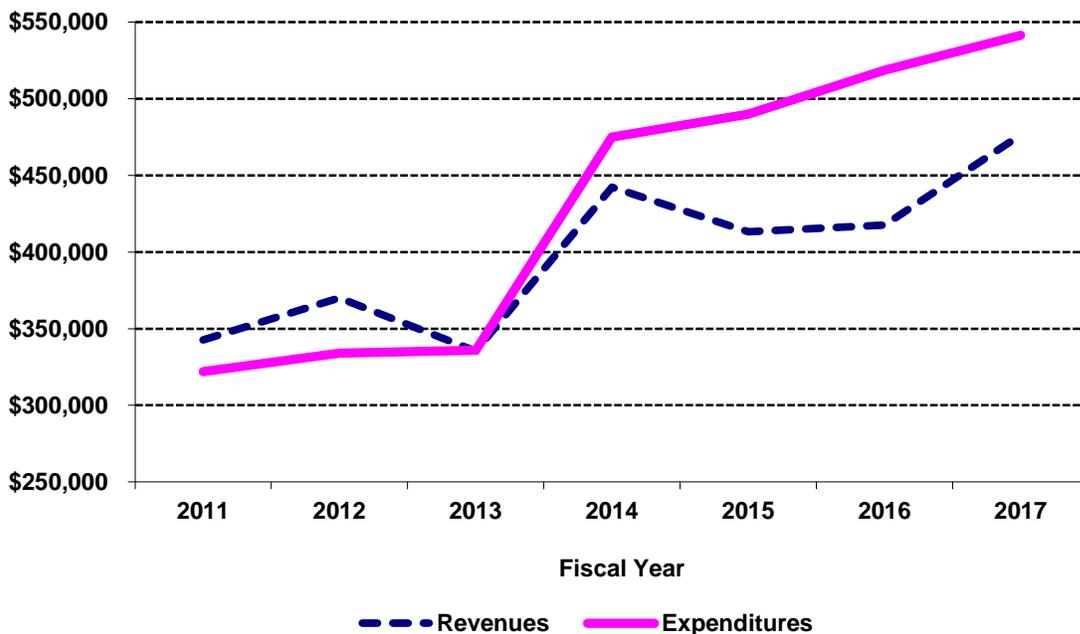
² Registration exempted groups include: motor vehicle, auction and salvage dealers, fleet operations (these entities are already licensed under other specific state laws and governance), and hobbyists repairing four or less motor vehicles in a calendar year.

Cash Flow Activity

The Motor Vehicle Repair Board is currently one of around 20 occupational licensing and regulatory boards and commissions that deposit all, or most, of their revenue collections into Fund 4K90, and draw on that fund to finance most, if not all, of their annual operating expenses. Each board or commission is expected to be self-sufficient by generating enough revenue to cover its expenses.

The chart below shows the Board's total annual revenue collections and expenditures from FYs 2011 through 2017. Subsequent to the Controlling Board establishing a registration fee of \$225 in October 2006, the Board ran surpluses until FY 2013. As a result of the enactment of S.B. 114 of the 129th General Assembly, the Board had to hire additional personnel and purchase new equipment to accommodate its new responsibilities of covering window tinting operators, thus incurring a deficit in FYs 2013 through 2017. Effective January 1, 2017, the Board increased its annual registration fee from \$225 to \$300 to cover its increasing operating costs.

**Motor Vehicle Repair Board Revenues and Expenditures,
FY 2011-FY 2017**



ANALYSIS OF ENACTED BUDGET

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

Motor Vehicle Repair Board Appropriations				
Fund	ALI and Name		FY 2018	FY 2019
Dedicated Purpose Fund (DPF) Group				
4K90	865601	Operating Expenses	\$587,371	\$604,593

Operating Expenses (DPF line item 865601)

This line item is used to pay for the Board's operating expenses. For this purpose, the budget appropriates \$587,371 in FY 2018, an amount that is \$45,911, or 8.5%, more than FY 2017 expenditures of \$541,460. For FY 2019, the budget appropriates \$604,593, an amount that is \$17,222, or 2.9%, more than the FY 2018 appropriation. About 84% of each year's appropriation will be allocated for personal services (wages, salaries, fringe benefits, payroll check-off charges), with the remainder largely covering supplies and maintenance. These appropriations are expected to be sufficient for the Board to maintain FY 2017 service and activity levels over the course of the FY 2018-FY 2019 biennium, as well as anticipated increases related to: (1) payroll check-off and nonpayroll service charges assessed by the Department of Administrative Services, and (2) utilization of the state's eLicensing system.³

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³ The state's eLicensing system is an online data entry and electronic fee payment system utilized by occupational licensing and regulatory boards.

FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2017 to FY 2018	Appropriation	FY 2018 to FY 2019		
			FY 2016	FY 2017	FY 2018	% Change	FY 2019	% Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
CRB Motor Vehicle Repair Board								
4K90	865601	Operating Expenses	\$ 518,632	\$ 541,460	\$ 587,371	8.48%	\$ 604,593	2.93%
Dedicated Purpose Fund Group Total			\$ 518,632	\$ 541,460	\$ 587,371	8.48%	\$ 604,593	2.93%
Motor Vehicle Repair Board Total			\$ 518,632	\$ 541,460	\$ 587,371	8.48%	\$ 604,593	2.93%