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Subject: Proviso 36.7 Analysis

Attachments: rev impact 36.7 proviso for DPS 030201.xls

Attached is the analysis of the impact of Proviso 36.7 to this agency. Our assumptions are based on the legal opinion issued by Gene stating that we should consider all monies "credited to the Department" in Title 56. I have met with Steven, and we have worked to develop this spreadsheet.

The agency is currently retaining all of the funds that is credited to the Department in Title 56. If Proviso 36.7 is not deleted or amended, this agency would lose \$11,759,054 in funding. It is my understanding that this would have a tremendous impact on STP because the Motor Carrier fees are used to fund certain STP operations. In addition, the agency would lose the building fund, uninsured motorist funds, and certain special plate fees. Although Proviso 36.7 requires these funds to be returned to the General Fund, we have retained these monies in the agency ever since the proviso was passed in 1993.

Therefore, the deletion or amendment of this proviso would not decrease the funds that have been returned to the General Fund.

In addition, the proposed scofflaw legislation will be affected by 36.7 if no changes are made to the proviso in FY 2002. The agency would not be allowed to retain the additional revenue of \$7,310,495 generated from the increased scofflaw fees.