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**LB 216**

Revision: 02

Revised on 2/6/12 based upon amendments adopted through 1/30/12.

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$26,250	\$6,250		\$12,500
FEDERAL FUNDS				
HIGHWAY TRUST FUND	See Below	See Below	See Below	See Below
TOTAL FUNDS	\$26,250	\$6,250		\$12,500

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 216 provides for the issuance of special interest motor vehicle license plates. The plates may be alphanumeric or may be personalized message plates. Applicants pay an annual \$50 fee for the special interest plates. Half of the additional fee collected for the plates is remitted to the Department of Motor Vehicles (DMV) Cash Fund and 50% to the Highway Trust Fund (HTF). Only one special interest plate is required for each special interest motor vehicle. A person convicted of owning or operating a motor vehicle with special interest plates in violation of the act is guilty of a Class V misdemeanor. The operative date of the act is January 1, 2013.

Applicants for a special interest plate also pay the regular per plate fee, which is capped at \$3.50 by current statute. The current plate fee is \$3.30. The regular plate fee is placed in the Highway Trust Fund (HTF). If the manufacturing cost of the plate exceeds the amount charged as a regular plate fee, then the difference between the manufacturing costs and the amount charged is credited to the HTF instead of the DMV Cash Fund.

Expenditures: LB 216 will increase expenditures of the DMV by \$26,250 of cash funds in FY2012-13 to modify the Vehicle Titling and Registration and plate management computer systems to accommodate the new special interest plate.

The number of applicants for a special interest plate is unknown. The bill, as amended, appears to have less stringent requirements to apply for a plate than the original bill, so the number of applications on an annual basis is estimated to be about 500. In the initial year, FY2012-13, about 250 applications are projected due to the operative date of the act.

Assuming the manufacturing cost is equal to the price charged for a plate, annual expenditures by the HTF and revenue received by the fund from plate charges will equal \$1,650 (\$3.30/plate x 500 plates). If the manufacturing expense is higher than the amount charged for a regular plate, then the difference between the manufacturing costs and the amount charged is credited to the HTF instead of the DMV Cash Fund.

Revenues: Increased revenue from the \$50 annual fee for a special interest plate will be deposited in the DMV Cash Fund and the HTF. Assuming 500 plates are issued per year, the DMV Cash Fund and the HTF will each have increased revenue of \$12,500. In the initial year, increased revenue of \$6,250 is estimated for each fund.

Persons convicted of violating the provisions of the bill may be assessed a fine of \$100. Any fine revenue received pursuant to the bill will be paid to the county where the violation occurs for use by public schools. Any revenue increase is projected to be small.