

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS			LPCF - \$3,600 SNHCF - \$5,950	SNHCF - \$5,950 DMVCF - \$1,500
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>			<b>\$9,550</b>	<b>\$7,450</b>

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB317 provides for the issuance of Nebraska History license plates beginning January 1, 2023. The plates may be either alphanumeric or contain a personalized message. Also created by the bill is the Support Nebraska History Cash Fund (SNHCF) which will be utilized by the Nebraska State Historical Society to promote the history of Nebraska on the Internet, support history education of children in Nebraska, and for costs directly related to the administration of the fund.

Applicants for:

- Alphanumeric plates pay an additional initial and renewal fee of \$5 which is credited to the newly created cash fund.
- Personalized message plates pay an additional annual \$40 plate fee of which 25% (\$10) is credited to the Department of Motor Vehicles Cash Fund (DMVCF) and 75% (\$30) to the newly created cash fund.

**Revenue:**

All applicants for plates also pay the regular per plate fee (current fee is \$3.30), which is capped at \$3.50 by current statute. If the manufacturing cost of the plates exceeds the amount charged as a regular plate fee, the revenue remitted to the SNHCF is reduced by the difference between the manufacturing costs and the amount charged for a plate set, and is credited to the Highway Trust Fund (HTF). The bill contains language providing for the plates to be designed to limit the manufacturing cost to equal to or less than the amount charged for the plates.

- The DMV estimates the new plates will cost \$3.60 per plate to manufacture, making the difference \$0.60 per plate set. This requires an adjustment to the revenue deposited in the SNHCF in the amount of \$300 in FY23 based on the estimated number of plate sets to be issued.

DMV estimates, which are based on historical trends, provide that 1000 sets of plates will be sold each fiscal year. Because the bill provides that the plates will be available January 1, 2023, the estimated number of plate sets for FY23 is 500. An additional assumption by the DMV include that 70 percent of plate sets will be alphanumeric and 30 percent personalized message. The table below provides estimated revenue amounts based on these assumptions.

<b>Nebraska History Plates Revenue Estimate</b>	<b>FY23</b>
Alphanumeric Plates Issued	350
Message Plates Issued	150
SNHCF Cash Fund Portion (less HTF Credit)	\$5,950
DMVCF Portion	\$1,500

The bill allows owners to apply to the country treasurer to transfer specialty plates from one owned vehicle to another. The application fee for the transfer is \$3.00. The fees are placed in the DMVCF. The number of transfers is unknown, thus an estimate is not provided.

(continued)

**Expenditures:**

The DMV has indicated there will be costs in FY23 associated with modifying the Vehicle Titling and Registration and plate management computer systems to accommodate the new Nebraska History plates. The department indicates it can handle the estimated 80 hours of programming and testing with existing staff and resources.

Other expenditures include the cost of manufacturing the Nebraska History plates. The DMV estimates that each plate will cost \$3.60 to manufacture. This cost is attributable to the License Plate Cash Fund (LPCF) which receives transfers from the HTF only for the purposes of producing the license plates and the validation decals that are affixed to each plate. The table below provides expenditure estimates based on the number of plate sets the DMV estimates will be issued.

Nebraska History Plates Expenditure Estimate	FY23
Estimate to Manufacture a Single Plate	\$3.60
Estimated Plate Sets to Manufacture	500
Total Expenditures	\$3,600

It is being assumed that expenditures by the Nebraska State Historical Society from SNHCF will mirror revenues.

**Agency Fiscal Notes (see attached):**

The estimates provided on the fiscal note provided by the DMV were used as a basis for determining the impacts. The one exception is:

- The reduction in revenue to the SNHCF due to the cost of manufacturing exceeding what is currently charged does not appear to be accounted for.

The Nebraska State Historical Society has provided a fiscal note with revenue estimates that mirror the DMV revenue estimates provided. Expenditure are not discussed in the agency fiscal note, however as indicated above, it is being assumed that expenditures will mirror revenues.

The Department of Transportation indicated no fiscal impact.

NOTE: The estimates in this fiscal note are based on agency assumptions with the understanding that; 1) it is difficult to gauge interest in new plate types, 2) The number of vehicles registered in the state has remained relatively static, and 3) There are currently 42 different plate types currently available.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 317	AM:	AGENCY/POLT. SUB: Nebraska Department of Motor Vehicles	
REVIEWED BY:	Lucas Martin	DATE: 01/19/2021	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with Department of Motor Vehicles' assessment of fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 317	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY:	Lucas Martin	DATE: 02/18/2021	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Department of Transportation's assessment of no fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 317	AM:	AGENCY/POLT. SUB: Nebraska State Historical Society	
REVIEWED BY:	Lucas Martin	DATE: 01/28/2021	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the State Historical Society's assessment of revenue generated.			

Please complete ALL (5) blanks in the first three lines.

**2021**

**LB<sup>(1)</sup> 317**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Motor Vehicles

Prepared by: <sup>(3)</sup> Bart Moore Date Prepared: <sup>(4)</sup> January 14, 2021 Phone: <sup>(5)</sup> 402-471-3902

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	3,600	7,750
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>3,600</b>	<b>7,750</b>

**Explanation of Estimate:**

Effective date of January 1, 2023 – Nebraska History Plate

**Program 070**

There will be 80 hours of Programming and Testing for this new plate that can be absorbed within existing DMV appropriation.

Past history has shown that 1000 sets of these plates will be sold every fiscal year. Due to the effective date of January 1, 2023 we estimate 500 sets of plates will be sold during the first fiscal year. In addition, past history has shown that 70% of the plates sold are Numeric plates and 30% are Message plates.

FY22-23 Revenue 500 sets sold – 350 Numeric plates at \$5 each will be credited to the Support Nebraska History Cash Fund - \$1,750 and 150 Message plates at \$40 each will be credited \$1,500 to the DMV Cash Fund and \$4,500 to the Support Nebraska History Cash Fund.

**Program 090**

500 sets (1000 plates) at \$3.60 = \$3,600 FY 2022-23

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	3,600
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	<b>3,600</b>

Please complete ALL (5) blanks in the first three lines.

**2021**

**LB<sup>(1)</sup> 317**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Jenessa Boynton Date Prepared: <sup>(4)</sup> 2/18/2021 Phone: <sup>(5)</sup> 402-479-4691

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 317 provides for the Nebraska History Plates and creates the Support Nebraska History Cash Fund. Each application for initial and renewal issuance of alphanumeric plates shall be accompanied with a five-dollar fee which is to be credited to the Support Nebraska History Cash Fund. In addition, a fee of forty dollars will be collected for issuance or renewal of personalized plates where 25% of the fee will be distributed to the Department of Motor Vehicles (DMV) Cash Fund and 75% of the fee to the Support Nebraska History Cash Fund.

DMV is to design the plates to limit the manufacturing cost of each plate to an amount less than or equal to the amount charged for licensing plates per section 60-3,102. If the cost of manufacturing these plates exceeds the amount charged pursuant to section 60-3,102, the revenue from the additional plate fee shall be credited first to the Highway Trust Fund to cover the cost of manufacturing with the remainder credited to the Support Nebraska History Cash Fund.

No fiscal impact is anticipated to the Department.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

Please complete ALL (5) blanks in the first three lines.

**2021**

**LB<sup>(1)</sup> 317**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> History Nebraska (Nebraska State Historical Society)

Prepared by: <sup>(3)</sup> Michelle Furby Date Prepared: <sup>(4)</sup> January 21, 2021 Phone: <sup>(5)</sup> 402-471-3171

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	6,250.00
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>6,250.00</b>

Explanation of Estimate:

LB 317 provides for Nebraska History Plates effective January 1, 2023. The estimated revenue is based off of 500 sets sold (70% numeric plates and 30% message plates) resulting in \$1,750 from numeric plates and \$4,500 from message plates.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>