

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2007-08</b>		<b>FY 2008-09</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	\$24,000	\$83,700	\$1,500	\$171,200
FEDERAL FUNDS				
HIGHWAY TRUST FUND		\$3,800		\$3,800
TOTAL FUNDS	\$24,000	\$87,500	\$1,500	\$175,000

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

LB 93 provides for the issuance of firefighter license plates. The plates may be either numerical or message plates. Applicants pay an annual fee of \$15 for a numerical plate or \$40 for a personalized plate. Five dollars of the numerical plate fee and \$30 of the personalized plate fee is credited to the Department of Motor Vehicles Cash Fund. Ten dollars of the numerical and the message plate fee is credited to the Firefighter Response Cash Fund.

Applicants for plates also pay the regular per plate fee, which is capped at \$3.50 by current statute. The current plate fee is \$3.25. The regular plate fee is placed in the Highway Trust Fund (HTF). If the manufacturing cost of the plates 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 Firefighter Response Cash Fund. The bill also has 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 Firefighter Response Cash Fund is established to include plate fees and other gifts and grants received by the State Fire Marshal. The fund is to be used to train firefighters, fire department personnel and other emergency response personnel. The bill has an operative date of January 1, 2008.

Expenditures: LB 93 will increase expenditures of the Department of Motor Vehicles (DMV) by \$1,500 of cash funds for postage for pick-up notices for the plates in 2007-08 and 2008-09. One-time costs of \$2,500 will be incurred in 2007-08 to print application forms for the new plates. There will also be one-time costs of \$20,000 in 2007-08 to modify computer systems to accommodate the new plates.

Regular plate fees are deposited in the Highway Trust Fund (HTF) to pay the manufacturing cost of license plates. DMV estimates the cost of a firefighter plate will be \$3.63 for a six-year plate. It is not known whether the plate design will be such that the cost can be limited to the current amount charged for a regular plate. The specialty plates currently issued cost more to produce than regular plates. This fiscal note assumes the plate cost will be \$3.63 as estimated by the department.

The number of applicants for firefighter plates is unknown. The State Fire Marshal indicates there are about 15,000 firefighters in the state. This fiscal note assumes 10,000 sets of plates will need to be initially produced in 2007-08. If so, then the HTF will receive \$65,000 (\$6.50/set plate fees x 10,000 sets) of revenue from regular plate fees. The estimated cost to produce 10,000 sets of plates is about \$72,600 (\$7.26/set x 10,000 sets). The estimated \$7,600 gap between revenue from regular plate fees and costs to produce specialized plates will be subtracted from the revenue placed in the Firefighter Response Cash Fund.

Revenues: Increased revenue from the \$15 annual fee for a firefighter numerical plate and \$40 fee for a firefighter message plate will be deposited in the DMV Cash Fund and the Firefighter Response Cash Fund. Assuming 10,000 sets of plates are manufactured in 2007-08, and 90% are numerical plates, there will be an \$75,000 increase in revenue for the DMV Cash Fund and a \$100,000 increase in revenue for the Firefighter Response Cash Fund, less the \$7,600 estimated offset for manufacturing costs. The fiscal note assumes half of the new plates will be purchased in 2007-08 and half in 2008-09. The revenue doubles in the second fiscal year due to fees being paid on an annual basis.

The bill allows owners to apply to the county treasurer to transfer specialty plates from one owned vehicle to another. The application fee for the transfer is \$3. The fees are placed in the DMV Cash Fund. The number of transfers is unknown.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS			
STATE FIRE MARSHAL – It may be difficult to determine the proper level of increased training services that may be sustained until actual revenues are determined.			
DEPT. OF MOTOR VEHICLES – No basis to disagree.			
DEPT. OF ROADS – No fiscal impact.			