

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	\$9,344	\$126,000	\$90,000	\$175,000
FEDERAL FUNDS				
HIGHWAY TRUST FUND	See Below		See Below	
TOTAL FUNDS	\$9,344	\$126,000	\$90,000	\$175,000

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

LB 220 provides for the issuance of Nebraska 150 Sesquicentennial license plates beginning October 1, 2015 and ending December 31, 2022. The plates may be either numerical or message plates. Applicants for numerical plates must pay an annual \$70 fee which is credited to the Department of Motor Vehicles Cash Fund (\$10.50) and the Nebraska 150 Sesquicentennial Plate Proceeds Fund (\$59.50). Persons purchasing message plates must pay the \$70 plate fee of which 57% (\$39.90) is deposited in the Sesquicentennial Plate Proceeds Fund and 43% (\$30.10) accrues to the Department of Motor Vehicles (DMV) Cash Fund.

All applicants for plates also pay the regular per plate fee, 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, then the difference between the manufacturing costs and the amount charged is credited to the Highway Trust Fund (HTF) instead of the sesquicentennial plate 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 and no plates are to be provided until DMV receives an order for at least 150 plates.

The bill creates the Nebraska 150 Sesquicentennial Plate Proceeds Fund. The fund is to be used by the Nebraska Sesquicentennial Commission to develop programs and plans for official observance of the 150<sup>th</sup> anniversary of Nebraska statehood in 2017.

Number of Plates: It is difficult to predict that number of plates that will be purchased. DMV estimates about 2,500 sets of plates could be sold based upon sales of other specialty plates. It is assumed that 20% will be numerical plates and 80% will be personalized message plates since the fee for each type of plate is the same. This fiscal note assumes about 1,800 sets of plates will be applied for in FY16, due to the issuance of plates for only nine months, and 2,500 sets of plates will be ordered in FY17.

Highway Trust Fund Expenditures: Assuming the manufacturing cost is equal to the price charged for a plate, then expenditures by the HTF and revenue received by the fund from plate charges will equal \$12,600 (\$7.00/set x 1,800 sets) in FY2015-16 and \$17,500 (\$7.00/set x 2,500 sets) in FY2016-17. 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 Sesquicentennial Plate Proceeds Fund.

DMV Expenditures: LB 220 increases one-time expenditures of the DMV by \$9,344 of cash funds in FY2015-16 to modify the Vehicle Titling and Registration and plate management computer systems to accommodate the new plates.

State Historical Society Expenditures: The Nebraska Sesquicentennial Commission is funded through the State Historical Society. The State Historical Society estimates that the proceeds from license plates which are placed in the Sesquicentennial Plates Proceeds Fund will be expended beginning in FY2016-17. This fiscal note assumes about \$90,000 will be expended by the Commission in FY17 assuming plate sales of 1,800 in FY16.

Revenue: Increased revenue from the \$70 annual fee for a numerical or message plate will be deposited in the DMV Cash Fund and the Sesquicentennial Plates Proceeds Fund. The estimated revenue increase of \$126,000, assuming 1,800 sets of plates are issued in FY2015-16, will be allocated to the DMV Cash Fund (\$47,124) and the Sesquicentennial Plate Proceeds Fund (\$78,876). Assuming 2,500 sets of plates are issued in FY2016-17, there will be increased revenue of \$175,000 of which \$65,450 will be allocated to the DMV Cash Fund and \$109,550 to the Sesquicentennial Plate Proceeds Fund.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB:220	AM:	AGENCY/POLT. Nebraska State Historical Society
REVIEWED BY: James Van Bruggen	DATE: 1/22/2015	PHONE: 471-4179
COMMENTS: I concur with the Nebraska State Historical Society's assessment.		

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

**2015**

**LB<sup>(1)</sup> 220**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska State Historical Society

Prepared by: <sup>(3)</sup> Michelle Furby

Date Prepared: <sup>(4)</sup> January 21, 2015

Phone: <sup>(5)</sup> (402) 471-3171

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

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	109,550.00	109,550.00
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

Estimate is based off of 2500 license plates annually (20% numeric and 80% message)

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
Staff Assistant	_____	.5	_____	20,679.71
Federal Aid Administrator	_____	.25	_____	26,170.05
Benefits.....	_____	_____	_____	15,257.33
Operating.....	_____	_____	_____	7,442.91
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	40,000.00
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	109,550.00

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

Prepared by: Gary Ryken Date Prepared: 23-Jan-15 Phone: 471-3902 Fax: 471-3920  
 Email: gary.ryken@nebraska.gov

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2015-2016		FY 2016-2017	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$ 17,624	\$ 26,704	\$ 9,720	\$ 62,047
FEDERAL FUNDS				
OTHER FUNDS		\$ 44,696		\$ 103,853
TOTAL FUNDS	\$ 17,624	\$ 71,400	\$ 9,720	\$ 165,900

Explanation of Estimate:

**Program 70 Expenditures**

LB 220 provides for the issuance of Nebraska 150 Sesquicentennial Plates beginning October 1, 2015 and ending December 31, 2022. The plates will be available as either an alphanumeric or a message plate. The addition of the two new plate types will require modification to the existing VTR and Plate Management Computer systems. It is estimated that 115 hours of programming will be necessary to modify the systems to accommodate the new plate types.

				FY16
Computer Programming	115 hrs.	@	\$81.25/hr	\$ 9,344

**Program 90 Expenditures**

While it is difficult to estimate the number of Nebraska 150 Sesquicentennial Plates that could be sold, based upon past experience DMV estimates 2,500 sets could be sold. Currently the highest level of sales for any organizational plate is 1,350 sets.

	Plates	Cost	FY16	FY17
License Plate Production	2,300	\$3.60 ea.	\$ 8,280	
License Plate Production	2,700	\$3.60 ea.		\$ 9,720

**Revenues**

	Number of Sets		DMV Cash	Sesquicent. Plate Fund
FY16				
Numeric Sets	204		\$ 2,142	\$ 12,138
Message Sets	816		\$ 24,562	\$ 32,558
FY17		FY16 Total	\$ 26,704	\$ 44,696
Numeric Sets	474		\$ 4,977	\$ 28,203
Message Sets	1,896		\$ 57,070	\$ 75,650
		FY17 Total	\$ 62,047	\$ 103,853

MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		FY 2015-2016	FY 2016-2017
	15-16	16-17	EXPENDITURES	EXPENDITURES
Benefits				
Operating			\$ 9,344	
Travel				
Capital Outlay				
Aid				

License Plate Production Program 90 .....	\$ 8,280	\$ 9,720
Total .....	\$ 17,624	\$ 9,720

**LB 220 FISCAL NOTE**

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**2015**

**NEBRASKA DEPARTMENT OF MOTOR VEHICLES**

Prepared by: Gary Ryken      Date Prepared: 23-Jan-15      Phone: 471-3902      Fax: 471-3920  
 Email: gary.ryken@nebraska.gov

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

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DMV anticipates that the revenues will level off after FY17. New applications will likely taper off over the course of the license plate cycle with renewals eventually being the main source of revenue.