

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$2,550		\$5,100
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$2,550		\$5,100

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

LB 732 provides for the issuance of Military Honor license plates to individuals who are reservists in the armed forces beginning January 1, 2017. The bill increases the number of designs for Military Honor plates from six to eleven designs. The plates may be either numerical or message plates. Applicants for numerical plates must pay an annual \$5.00 fee which is credited to the Nebraska Veteran Cemetery System Operation Fund (NVCSO). Persons purchasing message plates must pay an annual \$40 plate fee of which 75% is deposited in the NVCSO fund and 25% accrues to the Department of Motor Vehicles (DMV) Cash Fund. Persons eligible for military plates must register with the Department of Veterans Affairs in order to be approved to purchase military honor plates.

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 NVCSO 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.

Expenditures: DMV indicates the minor computer programming expenses to accommodate the issuance of Military Honor plates to reservists can be handled with existing appropriations.

DMV indicates there are about 6,500 active duty reservists in the state. The number of retired reservists is unknown. This fiscal note assumes about 600 reservists will apply for Military Honor plates. It is assumed half of this number will apply in the initial fiscal year due to the issuance of the plates for only six months in FY2016-17. It is also assumed that 90% of the plates issued will be numerical and 10% will be personalized.

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 \$2,100 (\$7.00/set x 300 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 NVSCO Fund.

Revenues: Increased revenue from the \$5 annual fee for a military honor numerical plate will be deposited in the NVCSO Fund and the \$40 fee for a personalized plate will be deposited in the DMV Cash Fund and the NVCSO Fund. The following table shows the estimated increase in revenue assuming 300 sets of military honor plates are issued to reservists in FY2016-17 and 600 sets are issued in FY2017-18.

TYPE OF PLATE	Fee	Est. # of Sets	Revenue 2016-17	Revenue 2017-18
	FY17			
Numerical Plate – NVCSO CF	\$5.00	270	\$1,350	
Personalized Plate - DMV CF	\$10.00	30	\$300	
Personalized Plate - NVCSO CF	\$30.00	30	\$900	
FY18				
Numerical Plate – NVCSO CF	\$5.00	540		\$2,700
Personalized Plate - DMV CF	\$10.00	60		\$600
Personalized Plate - NVCSO CF	\$30.00	60		\$1,800
Total Estimated Revenue			\$2,550	\$5,100

LB732
DAS ANALYST COMMENTS

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:732	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles	
REVIEWED BY: Lee Will		DATE: 1/14/2016	PHONE: 471-4175
COMMENTS: The agency's estimate appears to be reasonable given the assumptions used.			

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

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Date Prepared:

13-Jan-16

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2016-2017		FY 2017-2018	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$ 1,400		\$ 2,360
FEDERAL FUNDS				
OTHER FUNDS		\$ 5,300		\$ 7,080
TOTAL FUNDS	\$ -	\$ 6,700	\$ -	\$ 9,440

Explanation of Estimate:

LB 732 expands those eligible to receive Military Honor Plates and have the "veteran" designation on their driver license/ID card to those in the reserves. This will expand the number of Military Honor Plates to eleven. There will be minor computer modifications necessary that can be done with existing appropriation. LB 732 carries a January 1, 2017 implementation date.

In 2014 there were 6,494 active reservists in Nebraska. The number of retired reservists is not known. For the purposes of this fiscal note it is estimated that an additional 600 sets of Military Honor plates would be sold. Based upon the 600 sets the additional cost for license plates to Program 90 will be \$4,320 and can be handled with current appropriation. Estimated increases in revenues follow:

Estimated Sets Issued FY17	Number	Fee	Cemetery Fund	DMV Cash Fund
Numeric Sets	220	\$ 5	\$ 1,100	
Message Sets	140	\$ 40	\$ 4,200	\$ 1,400
			\$ 5,300	\$ 1,400

Estimated Sets Issued FY18	Number	Fee	Cemetery Fund	DMV Cash Fund
Numeric Sets	144	\$ 5	\$ 720	
Message Sets	96	\$ 40	\$ 2,880	\$ 960
			\$ 3,600	\$ 960

MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		FY 2016-2017	FY 2017-2018
	16-17	17-18	EXPENDITURES	EXPENDITURES
Benefits				
Operating				
Travel				
Capital Outlay				
Aid				
Capital Improvements				
Total			\$ -	\$ -

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2016

LB⁽¹⁾ 732

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Brendon Polt

Date Prepared: ⁽⁴⁾ 1/13/2016

Phone: ⁽⁵⁾ (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate: No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____