

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$20,000	\$22,016		\$34,400
FEDERAL FUNDS				
HIGHWAY TRUST FUND	\$44,800	\$73,984	\$25,200	\$70,800
TOTAL FUNDS	\$64,800	\$96,000	\$25,200	\$105,200

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

LB 225 provides for the issuance of volunteer firefighter license plates. The plates may be either numerical or message plates. Applicants for either type of plate pay an annual \$5 fee. Forty three percent, or \$2.15, of the additional fee is credited to the Department of Motor Vehicles (DMV) Cash Fund and 57%, or \$2.85, is deposited in the Highway Trust Fund (HTF). The design of the plates is to be selected based upon limiting the manufacturing cost to amount less than or equal to the cost of a license plate.

All 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. It is likely the fee will increase with the new issuance of plates in 2011, so the plate fee is assumed to be \$3.50 for the purposes of this fiscal note. The regular plate fee is placed in the Highway Trust Fund (HTF). Persons applying for message plates must also pay the \$30 message plate fee which is allocated 43% to the DMV Cash Fund and 57% to the HTF. Plates are to be available beginning January 1, 2010.

Expenditures: LB 225 will increase expenditures of the DMV by \$20,000 of cash funds in 2009-10 to modify the Vehicle Titling and Registration and plate management computer systems accommodate the two new volunteer firefighter plates.

The number of applicants for volunteer firefighter plates is unknown. DMV indicates there are about 14,000 total firefighters in the state and assumed that 12,800 are volunteers. This fiscal note assumes about 50% of the volunteer firefighters will apply for plates in 2009-10 and an additional 30% in 2010-11. So, about 6,400 sets of plates will need to be produced in 2009-10 and 3,600 in 2010-11.

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 \$44,800 (\$7.00/set x 6,400 sets) in 2009-10 and \$25,200 (\$7.00/set x 3,600 sets) in 2010-11.

Revenues: Increased revenue from the \$5 annual fee for a volunteer firefighter plate will be deposited in the DMV Cash Fund (\$2.15) and the HTF (\$2.85). The following table shows the estimated revenue increases assuming 6,400 sets of plates are applied for in 2009-10 and an additional 3,600 sets are applied for in 2010-11. It is assumed that 90% of the plates will be numerical and 10% will be message plates. The revenue in the second fiscal year is based upon the total number of sets sold, since the specialty plate fee is assessed annually.

LB 225	Fee	Est. # of Sets	Revenue 2009-10	Revenue 2010-11
DMV Cash Fund	\$2.15	6,400	\$13,760	
Highway Trust Fund	\$2.85	6,400	\$18,240	
DMV CF- Message Plate	\$12.90	640	\$8,256	
HTF - Message Plate	\$17.10	640	\$10,944	
DMV Cash Fund	\$2.15	10,000		\$21,500
Highway Trust Fund	\$2.85	10,000		\$28,500
DMV CF- Message Plate	\$12.90	1000		\$12,900
HTF - Message Plate	\$17.10	1000		\$17,100
Total Est. Revenue			\$51,200	\$80,000

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					
NEBRASKA DEPARTMENT OF MOTOR VEHICLES: Concur with Department of Motor Vehicles' analysis and estimate of increased expenditures and revenue fiscal impact.					
DEPARTMENT OF ROADS: Concur with Department of Roads' analysis and estimate of increased cash fund revenue fiscal impact.					

