



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 11-0512
Prime Sponsor(s): Rep. Wilson
 Sen. Schwartz

Date: January 18, 2011
Bill Status: House Transportation
Fiscal Analyst: Lauren Ris (303-866-3264)

TITLE: CONCERNING THE CREATION OF A PROTECT-OUR-RIVERS SPECIAL LICENSE PLATE FOR COLORADO TROUT UNLIMITED.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
Cash Funds		
Highway Users Tax Fund	\$37,500	\$43,750
Licensing Services Cash Fund	\$37,500	\$43,750
License Plate Cash Fund	\$8,880	\$10,360
State Expenditures		
Cash Funds		
License Plate Cash Fund	\$17,760	
Highway Users Tax Fund — CSTAR Account	\$2,960	\$2,960
FTE Position Change		
Effective Date: August 11, 2011, assuming the General Assembly adjourns May 12, 2011, as scheduled and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

House Bill 11-1034 creates the Protect Our Rivers special license plate. The plate will be available to applicants who pay the appropriate license fees, a one-time fee of \$50, and a one-time donation of \$25 to Colorado Trout Unlimited. Of the \$50 fee, \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the Licensing Services Cash Fund (LSCF). The Department of Revenue (DOR) may stop issuing the plate if less than 3,000 are issued by July 1, 2014.

State Revenue

The bill increases cash fund revenue by \$83,880 in FY 2011-12 and \$97,860 in FY 2012-13. Table 1 displays revenue generated by fiscal year and cash funds credited.

Table 1. State Revenue Generated by the Protect Our Rivers Special License Plate		
	FY 2011-12	FY 2012-13
Number of License Plates to be Issued	1,500	1,750
Revenue Credited to HUTF (\$25.00)	\$37,500	\$43,750
Revenue Credited to LSCF (\$25.00)	37,500	43,750
Revenue Credited to LPCF (\$5.92)	8,880	10,360
TOTAL	\$83,880	\$97,860

The bill creates a new special license plate available for a one-time fee of \$50, evenly divided between the HUTF and the LSCF. An additional \$5.92 fee is required for plate and tab production, credited to the License Plate Cash Fund (LSCF). The DOR is able to begin issuing the plate on January 1, 2012, upon completion of design and administrative preparations. This fiscal note assumes 1,500 plates will be issued in FY 2011-12 and 1,750 plates will be issued in FY 2012-13. The number of plates issued in subsequent fiscal years is estimated to decrease from these levels.

State Expenditures

The bill increases cash fund expenditures by \$20,720 in FY 2011-12 and \$2,960 in FY 2012-13. Table 2 describes associated costs to implement the bill.

Table 2. Expenditures Required to Produce and Distribute the Save Our Rivers Special License Plate		
	FY 2011-12	FY 2012-13
Number of License Plates to be Manufactured	3,000	500
Plate Cost (\$5.64) and Tab Cost (\$0.28)	\$17,760	\$2,960
Computer Programming (40 hours at \$74.00 per hour)	\$2,960	\$0
TOTAL	\$20,720	\$2,960

License plate and tab production costs are expended from the License Plate Cash Fund. One-time computer programming costs of \$2,960 are required to update the Colorado State Titling and Registration System (CSTARS) and are paid from the HUTF CSTAR Account.

Local Government Impact

The bill increases local government HUTF revenue by an estimated \$13,125 in FY 2011-12 and \$15,313 in FY 2012-13. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65%), counties (25%), and cities (9%) for transportation. House Bill 11-1034 is expected to increase HUTF revenue by \$37,500 in FY 2011-12 and \$43,750 in FY 2012-13; thereby increasing county and other local distributions by \$13,125 in FY 2011-12 and \$15,313 in FY 2012-13.

State Appropriations

For FY 2011-12, the DOR requires two cash fund appropriations — \$17,760 from the License Plate Cash Fund, and \$2,960 from the HUTF CSTAR Account. In addition, the Governor's Office of Information Technology (OIT) requires spending authority for \$2,960 in reappropriated funds.

Departments Contacted

Revenue