


Colorado Legislative Council Staff Fiscal Note
STATE and LOCAL
FISCAL IMPACT

Drafting Number: LLS 12-0043

Date: February 22, 2012

Prime Sponsor(s): Rep. Soper

Bill Status: House Transportation

Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING THE CREATION OF A SPECIAL LICENSE PLATE COMMEMORATING RECIPIENTS OF THE DISTINGUISHED FLYING CROSS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
Cash Funds	<u>\$2,236</u>	<u>\$280</u>
Highway Users Tax Fund	1,000	125
Licensing Services Cash Fund	1,000	125
License Plate Cash Fund	236	30
State Expenditures		
Cash Funds	<u>\$3,396</u>	<u>\$30</u>
HUTF - License Plate Cash Fund	436	30
HUTF - CSTAR Account	2,960	
FTE Position Change		
Effective Date: August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill creates the Distinguished Flying Cross special license plate. The plate will be available to recipients of the Distinguished Flying Cross, a military medal of valor. In addition to the standard license plate fees, applicants will pay a one-time additional fee of \$50. Of this fee, \$25 is credited to the Licensing Services Cash Fund (LSCF) and \$25 is credited to the Highway Users Tax Fund (HUTF).

State Revenue

This bill is anticipated to increase state cash fund revenue by up to \$2,236 in FY 2012-13 and \$280 in FY 2013-14. Table 1 displays revenue generated by fiscal year.

Table 1. State Revenue Generated Under HB 12-1153		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Issued	40	5
Revenue Credited to License Plate Cash Fund (\$5.92)	\$236	\$30
\$25 Fee to Highway Users Tax Fund	1,000	125
\$25 Fee to Licensing Services Cash Fund	1,000	125
Total Revenue	\$2,236	\$280

Revenue is generated from the plate and tab production fee of \$5.92 per plate set, credited to the License Plate Cash Fund, which all vehicle owners must pay upon registration. Applicants for the Distinguished Flying Cross plate are also required to pay an additional \$50 fee; of this, \$25 is credited to the Highway Users Tax Fund and \$25 is credited to the Licensing Services Cash Fund. The Department of Revenue (DOR) may begin issuing the plate on January 1, 2013, upon completion of design and administrative preparations. This fiscal note assumes the DOR will issue 40 plate sets in FY 2012-13, and 5 plate sets in FY 2013-14. This estimate is based on DOR issuance of similar plates, such as the Distinguished Service Cross and the Air Force Cross.

State Expenditures

State cash fund expenditures will increase by \$4,906 in FY 2012-13 and \$30 in FY 2013-14. Table 2 shows the costs required to implement the bill.

Table 2. State Expenditures Under HB 12-1153		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Manufactured	40	5
Plate Cost (\$5.92)	\$236	\$30
Design Costs	200	0
Computer Programming (40 hours at \$74 per hour)	2,960	0
Total	\$3,396	\$30

In FY 2012-13, one-time computer programming costs of \$2,960 are required to update the Colorado State Titling and Registration System (CSTARS). License plate and tab production costs are expended from the LPCF. Based on expected demand for the new plate, an initial run of 40 plate sets is expected. The plate will be designed by the Department of Revenue at a cost of \$200.

Local Government Impact

The bill increases Highway Users Tax Fund (HUTF) revenue by \$1000 in FY 2012-13 and \$125 in FY 2013-14. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and cities (9 percent) for transportation. Thus, county and other local distributions will total \$350.

State Appropriations

For FY 2012-13, the DOR requires a cash fund appropriation of \$3,396 — \$436 from the License Plate Cash Fund, and \$2,960 from the HUTF CSTAR Account. In addition, the Governor's Office of Information Technology requires an appropriation of \$2,960 reappropriated funds.

Departments Contacted

Corrections Governor's Office Revenue Transportation