



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

Drafting Number: LLS 12-0745
Prime Sponsor(s): Rep. Pace
 Sen. White

Date: February 22, 2012
Bill Status: House Transportation
Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING THE ENCOURAGEMENT OF OUTDOOR RECREATIONAL OPPORTUNITIES, AND, IN CONNECTION THEREWITH, CREATING THE WILDLIFE SPORTING LICENSE PLATE.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
Cash Funds	\$197,760	\$101,960
Highway Users Tax Fund	\$75,000	\$12,500
Licensing Services Cash Fund	75,000	12,500
License Plate Cash Fund	17,760	2,960
Wildlife Cash Fund	\$30,000	\$74,000
State Expenditures		
Cash Funds	\$85,840	\$2,960
HUTF - License Plate Cash Fund	\$17,760	\$2,960
HUTF - CSTAR Account	68,080	
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 Wildlife Sporting special license plate. The plate will be available to all applicants who pay a one-time additional fee of \$60. Of this fee, \$25 is credited to the Licensing Services Cash Fund (LSCF), \$25 is credited to the Highway Users Tax Fund (HUTF) and \$10 is credited to the Wildlife Cash Fund. This plate also requires a \$25 annual renewal fee. The money in the Wildlife Cash Fund is used to fund grants to create or enhance shooting ranges, and for projects to improve fishing opportunities.

State Revenue

This bill is anticipated to increase state cash fund revenue by up to \$197,760 in FY 2012-13 and \$101,960 in FY 2013-14. Table 1 displays revenue generated by fiscal year.

Table 1. State Revenue Generated Under HB 12-1275		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Issued	3,000	500
Revenue Credited to License Plate Cash Fund (\$5.92)	\$17,760	\$2,960
\$25 Fee to Highway Users Tax Fund	75,000	12,500
\$25 Fee to Licensing Services Cash Fund	75,000	12,500
\$10 Fee to Wildlife Cash Fund	30,000	5,000
\$25 Annual Renewal Fee (3,000 plates; \$2 county retained))	-	69,000
Total Revenue	\$197,760	\$101,960

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 Wildlife Sporting plate are also required to pay an additional \$60 fee; of this, \$25 is credited to the Highway Users Tax Fund, \$25 is credited to the Licensing Services Cash Fund and \$10 is credited to the Wildlife 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 3,000 plate sets in FY 2012-13, and 500 plate sets in FY 2013-14.

In addition, this bill generates additional revenue within the Department of Natural Resources (DNR) to provide grants to create or enhance shooting ranges, and for projects to improve fishing opportunities. For these purposes, this bill provides the DNR with \$30,000 in FY 2012-13 and \$74,000 in FY 2013-14.

State Expenditures

State cash fund expenditures will increase by \$85,840 in FY 2012-13 and \$2,960 in FY 2013-14. Table 2 shows the costs required to implement the bill.

Table 2. State Expenditures Under HB 12-1275		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Manufactured	3,000	500
Plate Cost (\$5.92 per set)	\$17,760	\$2,960
Computer Programming (920 hours at \$74 per hour)	68,080	0
Total	\$85,840	\$2,960

In FY 2012-13, one-time computer programming costs of \$68,080 are required to update the Colorado State Titling and Registration System (CSTARS) and VIPER system. These reprogramming costs are more intensive than those found on other special license plate bills that typically cost \$2,960. This is because several new fields need to be added to the master log files in these systems, and involve department-to-department transfers. New fields will be added to collect the one-time issuance and ongoing plate renewal fee the DOR collects and remits to the DNR.

License plate and tab production costs are expended from the LPCF. Based on expected demand for the new plate, an initial run of 3,000 plate sets will be necessary. The plate may be designed by the Division of Parks and Wildlife in consultation with sportsmen's advisory groups.

In addition, this bill generates additional revenue within the DNR to provide grants to create or enhance shooting ranges, and for projects to improve fishing opportunities. For these purposes, this bill provides the DNR with \$30,000 in FY 2012-13 and \$74,000 in FY 2013-14. The administration of the grants will require additional workload at the DNR, and this will be performed within existing appropriations.

Local Government Impact

The bill increases local government revenue by an estimated \$75,000 in FY 2012-13 and \$18,500 in FY 2013-14. The bill increases local government Highway Users Tax Fund (HUTF) revenue by an estimated \$75,000 in FY 2012-13 and \$12,500 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. Since this bill is expected to increase HUTF revenue by \$75,000 in FY 2012-13, and \$12,500 in FY 2013-14, county and other local distributions will be increased accordingly.

In addition, this bill allows counties to retain \$2 for each plate renewal. This fee will add \$6000 in additional revenue to counties in FY 2013-14.

State Appropriations

For FY 2012-13, the Department of Revenue requires a cash fund appropriation of \$85,840 — \$17,760 from the License Plate Cash Fund, and \$68,080 from the HUTF CSTAR Account. In addition, the Governor's Office of Information Technology requires spending authority for \$68,080 in reappropriated funds.

Departments Contacted

Corrections Governor's Office Natural Resources Revenue