

# STATE and LOCAL FISCAL IMPACT

**Drafting Number:** LLS 13-0073 **Date:** January 11, 2013

Prime Sponsor(s): Rep. Scott; Priola

Bill Status: House Transportation and Energy
Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING A LIMIT ON THE TYPES OF SPECIAL LICENSE PLATES ENACTED

BY STATUTE.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue	See State Revenue and Expenditures section	
State Expenditures		
FTE Position Change		
<b>Effective Date:</b> August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: See Local Government section.		

#### **Summary of Legislation**

This bill limits the number of Designer, Alumni, Group Special and Military license plate types (collectively known as special license plates) to 96. The Department of Revenue currently issues 86 special license plates.

#### **State Revenue and Expenditures**

This bill may limit the ability for the General Assembly to create new special license plates, and thus limit any potential revenue deriving from the sale of those plates.

Typically, bills creating special license plates add one-time fees of \$25 to the Highway Users Tax Fund and \$25 to the Licensing Services Cash Fund, as well as the \$5.92 per plate set fee used to manufacture the plate.

On average, a new special license plate will generate approximable \$96,000 in state revenue per year and cost of \$11,000 per year, including manufacturing costs and reprogramming changes. Because the number of special license plate types does not currently exceed 96, it is not possible to determine the impact to state revenue and expenditures.

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### **Local Government Impact**

Revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and cities (9 percent) for transportation purposes. Therefore, this fiscal note assumes future local government revenue from license plates could be limited, but it is not possible to determine the fiscal impact to municipalities and counties at this time.

## **Departments Contacted**

Corrections Revenue