

Colorado Legislative Council Staff Fiscal Note

**STATE and LOCAL
REVISED FISCAL IMPACT**

(replaces fiscal note dated January 17, 2014)

Drafting Number: LLS 14-0490 **Date:** February 20, 2014
Prime Sponsor(s): Sen. Baumgardner **Bill Status:** House Transportation and Energy
 Rep. Garcia; Lawrence **Fiscal Analyst:** Kristen Koehler (303-866-4918)

SHORT TITLE: EMERGENCY MEDICAL SERVICES LICENSE PLATE

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	<u>\$55,920</u>	<u>\$55,920</u>
Cash Funds	\$55,920	\$55,920
State Expenditures	<u>\$10,040</u>	<u>\$5,920</u>
Cash Funds	\$10,040	\$5,920
FTE Position Change		
Appropriation Required: \$10,040 - Department of Revenue (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This **reengrossed bill** creates the Emergency Medical Services (EMS) special license plate and makes an appropriation. The license plate will be available to an applicant who provides documentation to the Department of Revenue (DOR) confirming that he or she has donated \$10 to the Emergency Medical Services Association of Colorado. In addition to the standard license plate fees, applicants for the EMS plate must 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). The plate will be available January 1, 2015, or earlier if the DOR is able.

State Revenue

This bill is anticipated to increase state cash fund revenue by \$55,920 beginning in FY 2014-15. Revenue is discussed in greater detail in Table 1, below, and in the explanation that follows.

Assumptions. Expected demand for the EMS plate is based on historical demand for the Firefighter special license plate. This note assumes that 1,000 plate sets will be issued each year beginning in FY 2014-15.

Table 1. State Revenue Generated Under SB 14-036		
Revenue Components	FY 2014-15	FY 2015-16
Number of License Plate Sets to be Issued	1,000	1,000
Revenue Credited to License Plate Cash Fund (\$5.92)	\$5,920	\$5,920
Revenue Credited to Highway Users Tax Fund (\$25)	\$25,000	\$25,000
Revenue Credited to Licensing Services Cash Fund (\$25)	\$25,000	\$25,000
TOTAL	\$55,920	\$55,920

Revenue is generated from the plate and tab production fee of \$5.92 per plate set, credited to the License Plate Cash Fund (LPCF), which all vehicle owners must pay upon registration. Applicants for the EMS special license plate are also required to pay an additional \$50 fee; of this, \$25 is credited to the HUTF and \$25 is credited to the LSCF. The State Highway Fund (SHF) receives 65 percent of the HUTF revenues generated through license plate fees.

State Expenditures

State cash fund expenditures will increase by \$10,040 in FY 2014-15 and by \$5,920 each year thereafter. State expenditures are detailed in Table 2 and discussed in more detail in the explanation that follows.

Assumptions. Expected demand for the EMS plate is based on historical demand for the Firefighter special license plate. This note assumes that 1,000 plate sets will be issued each year beginning in FY 2014-15.

Table 2. State Expenditures Under SB 14-036		
Cost Components	FY 2014-15	FY 2015-16
Number of License Plate Sets to be Manufactured	1,000	1,000
Plate and Tab Production Cost per Set (\$5.92)	\$5,920	\$5,920
Computer Programming	\$4,120	\$0
TOTAL	\$10,040	\$5,920

Department of Revenue. In FY 2014-15, one-time programming costs of \$4,120 are required to update the Colorado State Titling and Registration System (CSTARS) in the DOR. Programming costs are calculated at 40 hours at a rate of \$103 per hour. The DOR will be required to update rules, forms, manuals, and the department's website to reflect the change in law. Additionally, the DOR will provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increase or costs associated with these activities will be accomplished within existing appropriations. License plate and tab production costs are expended from the LPCF. Based on the expected demand for the EMS plate, an initial run of 1,000 plate sets will be necessary.

Local Government Impact

This bill will increase local government HUTF revenue by an estimated \$8,750 per year beginning in FY 2014-15. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and cities (9 percent) for transportation needs.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2014-15, the DOR is appropriated \$5,920 from the License Plate Cash Fund, and \$4,120 from the CSTARs Account in the HUTF. In addition, the Office of Information Technology receives spending authority under the bill for \$4,120 in reappropriated funds.

State and Local Government Contacts

Revenue
Transportation
Local Affairs

Corrections
Cities and Counties
Public Safety

Clerk and Records
Office of Information Technology