

**STATE  
FISCAL IMPACT**

<b>Drafting Number:</b> LLS 14-1091	<b>Date:</b> May 2, 2014
<b>Prime Sponsor(s):</b> Sen. Aguilar Rep. Gerou	<b>Bill Status:</b> Senate Health and Human Services <b>Fiscal Analyst:</b> Kristen Koehler (303-866-4918)

**SHORT TITLE:** LICENSE PLATE AUCTIONS & DISABILITY-BENEFIT FUND

Fiscal Impact Summary	FY 2014-2015	FY 2015-2016
State Revenue	Potential increase.	
State Expenditures	Workload increase.	
FTE Position Change		
Appropriation Required: None		

**Summary of Legislation**

Currently, the duration of a license to use a registration number for a vehicle purchased at auction is perpetual. This bill changes the duration of the license to a limited time, as determined by the License Plate Auction Group (LPAG).

**Background**

House Bill 11-1216 established the LPAG within the Governor's Office to market and manage the sale of uniquely valuable license plate numbers. The group is responsible for identifying popular registration numbers and selling the rights to use these registration numbers. As of the writing of this fiscal note, the group has not auctioned any registration numbers.

**State Revenue**

The ability to recall registration numbers previously sold at auction and resell them at auction again is likely to increase state revenue over the amount that would have been collected if the registration number had been sold for use in perpetuity. As no registration numbers have been auctioned to date, revenue data is not available and no estimate of any potential increase has been made.

**State Expenditures**

This bill is expected to increase workload within the Department of Revenue (DOR) beginning in FY 2014-15. In order to accommodate the provisions of the bill, the DOR will be required to track the issuance and duration of the license for registration numbers won at auction. In addition, when a registration number expires, the DOR will be required to contact the vehicle

owner through mail in order to recall and cancel the plate in the Colorado State Titling and Registration System (CSTARS). After the registration number is canceled, it will be marked in the system as being reserved for auction. These activities can be accomplished within existing resources and no adjustments to appropriations are required.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State and Local Government Contacts**

Revenue

Governor's Office