


Colorado Legislative Council Staff
STATE and LOCAL
REVISED FISCAL IMPACT
No State General Fund Impact
 (replaces fiscal impact dated January 20, 2005)

Drafting Number: LLS 05-0361
Prime Sponsor(s): Rep. Vigil

Date: February 16, 2005
Bill Status: House Appropriations
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING AUTHORIZATION OF CERTAIN FAMILY MEMBERS OF A PERSON WHO HAS DIED SERVING IN THE UNITED STATES ARMED FORCES TO BE ISSUED MILITARY LICENSE PLATES.

Fiscal Impact Summary	FY 2005/2006	FY 2006/2007
State Revenues		
General Fund		
Cash Fund - HUTF	less than \$5,000	less than \$5,000
State Expenditures		
General Fund		
Cash Fund Exempt	\$9,461	
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: Minimal TABOR Impact		
Effective Date: July 1, 2005		
Appropriation Summary for FY 2005/2006:		
Department of Revenue - \$9,461 - Colorado State Titling and Registration System account/HUTF		
Local Government Impact: Minimal increase in HUTF allocations to counties and municipalities		

Summary of Legislation

As amended in the House State, Veterans, and Military Affairs Committee, the bill allows family members of a person who died while fighting the enemies of the United States while on active duty to apply for any special military license plate that the deceased would have qualified for. The bill also establishes five new special military license plate for such family members that would memorialize the fallen soldier.

State Revenues

This bill will increase fee revenue to the Highway Users Tax Fund (HUTF), but the increase is expected to be less than \$5,000 per year. Applicants will have to pay a \$25 fee credited to the

HUTF in addition to all other regular fees for registration and plates. While the actual increase in fee revenue is unknown, this fiscal note assumes that no more than \$5,000 will be collected per year.

State Expenditures

To establish the five new special license plates created by the bill (one each for the Army, Navy, Air Force, Marines, and National Guard), the Department of Revenue will be required to modify the motor vehicle registration computer system. This system is currently being rewritten by a private company under contract with the department. Because the bill takes effect July 1, 2005, it will require modification of both the existing system and the new system, which is scheduled to be implemented in 2006. Overall, these modifications are expected to cost **\$9,461 in FY 2005-06**, including \$1,821 for 40 hours of programming for the old system, and \$7,640 for 40 hours of programming for the new system. These computer programming costs would be paid from the Colorado State Titling and Registration System account of the HUTF.

The cost of producing the license plates would be paid from existing appropriations from the License Plate Cash Fund. The Department of Revenue indicates that the current appropriation for license plates from this fund is sufficient to meet the expected demand for plates under this bill. As such, no change in the department's appropriation for license plates is required. In the future, the department may need to alter the mix of plates ordered, but it is not expected to significantly change the total number of plates ordered each year.

Local Government Impact

The bill will increase HUTF revenue, 35 percent of which would be allocated to counties and municipalities for highway purposes.

State Appropriations

This fiscal note implies that the Department of Revenue will require a cash fund exempt appropriation of \$9,461 for FY 2005-06, unless sufficient computer programming resources are provided through the Long Bill.

Departments Contacted

Military Affairs

Revenue