



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

Drafting Number: LLS 06-0223

Date: February 2, 2006

Prime Sponsor(s): Rep. Rose

Bill Status: House Transportation & Energy

Fiscal Analyst: Brad Denning (303-866-4777)

TITLE: CONCERNING THE ISSUANCE OF SPECIAL LICENSE PLATES FOR MOTOR VEHICLES VALUED BY COLLECTORS DUE TO THEIR EARLY DATE OF MANUFACTURE.

Fiscal Impact Summary	FY 2006/2007	FY 2007/2008
State Revenues		
Cash Funds - Highway Users Tax Fund (HUTF)	less than \$5,000	less than \$5,000
State Expenditures		
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Unless a referendum petition is filed, the bill will take effect August 9, 2006, assuming the General Assembly adjourns on May 10, 2006, as scheduled.		
Appropriation Summary for FY 2006/2007: None required.		
Local Government Impact: Minimal increase of HUTF allocations to counties and municipalities		

Summary of Legislation

Under current law, the Department of Revenue is allowed, but not required, to register and issue a special registration plate for a motor vehicle that is valued because of its early date of manufacture. It defines early date of manufacture as a vehicle that is at least 50 years old. If such a vehicle is registered, the Department of Revenue is required to register it and issue it license plates for a period of no more than 5 years.

State Revenues

The bill requires vehicles that are 50 years old, if they are registered, to be registered and issued license plates for a period of not more than 5 years. In FY 2004-05, approximately 102,000 vehicles that were 25 years or older, defined as collector's items, were registered in Colorado. These vehicles are required to be registered on a 5-year basis. The vehicles are subject to a fee to issue the registration and special plate equal to \$5 for a 5-year period, and a \$1.50 annual specific ownership fee for each year of registration (\$7.50). Because the bill impacts a portion of vehicles not included in the 102,000 that are already registered, this fiscal note estimates a revenue impact of less than \$5,000.

State Expenditures

The Department of Revenue indicates that it would require modifications to its Colorado State Titling & Registration System (CSTARs) to implement the bill. These costs are directly related to the creation of a new license plate. However, the bill does not necessarily establish a new license plate, so this fiscal notes assumes that no new plate is created.

Local Government Impact

The bill will potentially increase HUTF revenue from fees, 35 percent of which is distributed to counties and municipalities for highway purposes.

State Appropriations

No new appropriations are needed for FY 2006-07 to implement this bill.

Departments Contacted

Corrections Revenue