

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 13-0663
Prime Sponsor(s): Sen. Scheffel
 Rep. McNulty

Date: February 11, 2013
Bill Status: Senate Transportation
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TITLE: CONCERNING THE CREATION OF A CIVIL AIR PATROL LICENSE PLATE.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
Cash Funds	<u>\$5,983</u>	<u>\$1,007</u>
Highway Users Tax Fund	2,675	450
Licensing Services Cash Fund	2,675	450
License Plate Cash Fund	633	107
State Expenditures		
Cash Funds	<u>\$3,605</u>	<u>\$107</u>
HUTF License Plate Cash Fund	633	107
HUTF - CSTAR Account	2,972	
FTE Position Change		
Effective Date: 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: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill creates the Civil Air Patrol special license plate. The plate will be available to all applicants who pay the license plate fees, including 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). This plate will be available January 1, 2014.

State Revenue

This bill is anticipated to increase state cash fund revenue by up to \$5,983 in FY 2013-14 and \$1,007 in FY 2014-15. Table 1 displays revenue generated by fiscal year.

Table 1. State Revenue Generated Under SB 13-060		
	FY 2013-14	FY 2014-15
Number of License Plate Sets to be Issued	107	18
Revenue Credited to License Plate Cash Fund (\$5.92)	\$633	\$107
\$25 Fee to Highway Users Tax Fund	2,675	450
\$25 Fee to Licensing Services Cash Fund	2,675	450
Total Revenue	\$5,983	\$1,007

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 Civil Air Patrol plate are also required to pay an additional \$50 fee; of this, \$25 is credited to the HUTF and \$25 is credited to the Licensing Services Cash Fund (LSCF). The Department of Revenue (DOR) may begin issuing the plate on January 1, 2014, upon completion of design and administrative preparations. This fiscal note assumes the DOR will issue 107 plate sets in FY 2013-14, and 18 plate sets per year in FY 2014-15, and each year thereafter.

State Expenditures

State cash fund expenditures will increase by \$3,605 in FY 2013-14 and \$107 in FY 2014-15. Table 2 shows the costs required to implement the bill.

Table 2. State Expenditures Under SB 13-060		
	FY 2013-14	FY 2014-15
Number of License Plate Sets to be Manufactured	107	18
Plate Cost (\$5.92)	\$633	\$107
Computer Programming (40 hours at \$74.00 per hour)	2,972	0
Total	\$3,605	\$107

In FY 2013-14, one-time computer programming costs of \$2,972 are required to update the Colorado State Titling and Registration System (CSTARS). License plate and tab production costs are expended from the LPCF. Based on expected demand for the new plate, an initial run of 107 plate sets will be necessary. The plate will be designed by the Colorado Department of Military and Veterans Affairs, at a cost of approximately \$200, which is expected to be absorbed within existing appropriations.

Local Government Impact

The bill increases local government HUTF revenue by an estimated \$2,675 in FY 2013-14 and \$450 in FY 2014-15. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent), and cities (9 percent) for transportation.

State Appropriations

For FY 2013-14, the DOR requires two cash fund appropriations — \$633 from the License Plate Cash Fund, and \$2,972 from the HUTF CSTAR Account. In addition, the Governor's Office of Information Technology requires spending authority for \$2,972 in reappropriated funds.

Departments Contacted

Corrections

Military Affairs

Revenue