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FISCAL IMPACT REPORT

ORIGINAL DATE 2/7/19
LAST UPDATED _____

SPONSOR Stapleton **HB** 274/aHTPWC

SHORT TITLE Dial-A-Teacher Program License Plates **SB** _____

ANALYST Chabot/Woods

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$0.5	\$0.5	Recurring	TRD/MVD Operating Fund
	\$1.5	\$1.5	Recurring	PED Operating Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$33.6		\$33.6	Nonrecurring	TRD Operating Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HTPWC Amendment

The House Transportation, Public Works & Capital Improvements Committee amends House Bill 274. Lines 6 through 10 are struck and replaced with a new subsection C. The new subsection offers grammatical changes to the previous bill language and clarifies the \$25 fee would be appropriated to the Public Education Department to contract with a “call-in” service (Dial-A-Teacher) to provide bilingual assistance for homework.

Synopsis of Original Bill

House Bill 274 amends the Motor Vehicle Code to provide for issuing a special Support of Dial-A-Teacher “special registration plate to express support for the program.

FISCAL IMPLICATIONS

The bill authorizes a fee of \$25 over the regular registration fee to pay for the special plate, \$10 is retained by the Taxation and Revenue Department to pay for the manufacture and issuance of the special plate and \$15 would go to the Public Education Department to promote the Dial-A-Teacher program.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

The cost to design and implement a new plate is passed on to the requesting entity who is required to pay for an initial order of 100 plates. Total cost is \$600: \$100 to design and \$500 for the initial order of 100 plates.

TRD currently has 153 separate accounts for motor vehicles, boats, off-road vehicles, and government vehicles. The majority of these accounts are for specialty plates for various organizations and programs. These plates generate very little revenue for the sponsoring organizations.

Many organizations have the opinion that having a special license plate for their cause will make significant revenue. In fact, very little revenue is made by having such a plate; however, there may be an awareness factor for drivers by seeing a special plate on vehicles.

ADMINISTRATIVE IMPLICATIONS

TRD assesses there will be minimal administrative impact for MVD requiring revision the policy manual and procedural requirements for processing. SHARE will need to be modified to account for the new fees and distributions. There will be a modest impact on the Information and Technology Division to complete, test and implement changes at a cost of \$33,600 and approximately 12 weeks to complete.

RELATIONSHIP

HB444 relates to HB167, HB231, HB245, HB306, HB358, HB381, HB444, SB104, SB180, SB206, SB225, SB234, SB236, SB269, and SB273 which all pertain to vehicle license plates.

GAC/gb/sb