

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-2251/1	Introduction Number AB-405
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Subject
 Special plates that are military in nature

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input checked="" type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395(5)(cq)	

Agency/Prepared By DOT/ Carson Frazier (608) 266-7857	Authorized Signature Carol Buckmaster (608) 267-6979	Date 5/20/2005
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Fiscal Estimate Narratives

DOT 5/20/2005

LRB Number	05-2251/1	Introduction Number	AB-405	Estimate Type	Original
Subject					
Special plates that are military in nature					

Assumptions Used in Arriving at Fiscal Estimate

This bill adds three new military group special plates: for veterans of Operation Iraqi Freedom (Iraq), Operation Enduring Freedom (Afghanistan), and Operation Noble Eagle (Air Guard mission).

These special plates would be subject to the current law provision requiring a \$15 fee for issuance or reissuance of the special plate.

In DMV's experience, demand for a special group plate is greatest during the first year the plate is available, and declines significantly in subsequent years. Based on our experience with other military group plates, DMV estimates that perhaps 500 Iraqi Freedom, Enduring Freedom, and Noble Eagle plates might be sold the first year. In subsequent years, the volume is anticipated to be perhaps 20-25 additional plates annually.

One-time cost and revenue:

Total cost in the first year is \$18,200. DMV would incur a start-up cost of \$10,200 for data processing system programming, which occurs before any plates are sold and regardless of how many plates are sold. In addition, DMV would incur a cost of \$8,000 in the first year, to process and issue 500 sets of plates. The bill does not appropriate funds to the DMV appropriation to cover this cost, and DMV cannot absorb this cost within its current budget.

All special group plates are subject to a \$15 fee for issuance or reissuance of the plate. If 500 plates are sold the first year, the Transportation Fund would receive increased revenue of \$7,500. While this revenue is intended to offset some DMV costs, it is not appropriated into DMV's appropriation.

Ongoing annual cost and revenue:

After the first year of plate sales, the volume would likely decline to an annual level of about 20-25 plates. DMV would be able to absorb the ongoing cost of about \$320 - \$400 per year. The Transportation Fund would experience a revenue increase of \$300 - \$375 per year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
Cost in the first year of \$18,200. This includes \$10,200 data processing modifications and \$8,000 staff, plate, sticker, postage, and handling cost, to process and issue 500 plates. Revenue increase to the Transportation Fund of \$7,500 in the first year. The bill does not appropriate any funds into DMV's appropriation to cover DMV's cost, and DMV cannot absorb this cost within its current budget.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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