



## Fiscal Estimate Narratives

DOT 10/26/2009

LRB Number	09-0207/2	Introduction Number	AB-0433	Estimate Type	Original
<b>Description</b> Registration fees for certain motor vehicles issued special registration plates					

### Assumptions Used in Arriving at Fiscal Estimate

#### PROVISIONS OF THE BILL

Under current law, certain persons who have an immediate family member die while serving in the US Armed Forces or in forces incorporated as part of the US Armed Forces may apply for a Gold Star special plate. The Gold Star plate does not require an issuance fee. However, the regular registration fee for the vehicle type registered is required.

A Gold Star plate may be obtained for an automobile; a motor home; a dual purpose motor home or dual purpose farm truck with a gross weight up to 8,000 lbs; a light truck with a gross weight up to 8,000 lbs; or a farm truck with a gross weight up to 12,000 lbs.

This bill creates a special registration category for a Gold Star plate owned by a spouse or parent of the person who died in the armed forces. The special fee is: the initial registration is the same as the current amount for that particular vehicle type; but there is no renewal fee. Thus, the registrant pays one year of fee (except, for a light farm truck, a biennial fee), and then receives annual or biennial renewals after that, for no fee.

Under the bill, a vehicle owner may register only one vehicle in this special registration category. If two or more persons own a vehicle that is registered under this provision, none of the vehicle's owners may register additional vehicles under this provision.

The bill also requires that, for any eligible person who has a Gold Star plate at the time the bill becomes effective, that person may at the time of plate renewal, convert to the new registration category, by paying one more registration and then, after that, the plate would be renewed for no fee.

The bill has a delayed effective date of the first day of the 4th month after publication.

#### FISCAL IMPACT

##### ONE-TIME FISCAL IMPACT

Because new special registration category applies only to some persons who are eligible for Gold Star plates, DMV must create a new plate type for this special registration category, while leaving the current Gold Star plate type as is. DMV will incur \$16,200 for 19 days data processing work. The bill does not fund this cost and DMV cannot absorb the cost within its current budget.

Significant programming changes are required. The system must allow for initial registration fee and then no-fee renewal. For those spouses and parents who currently hold Gold Star plates, the system must allow one renewal that is charged the registration fee, and then must flag these to convert to the free registration category. Renewal and financial sub-systems must also be modified. Testing of all changes is needed, to be sure that all systems work properly.

##### ANNUAL, ONGOING FISCAL IMPACT

This bill would reduce registration revenue to the Transportation Fund, as a result of no-fee renewal. Based on the numbers of Wisconsin residents who died in each of the major recent military actions, DMV assumes there may be 950 parents and 1,650 spouses, with 2,600 vehicles that would be registered under this special registration category.

DMV assumes that the 2,600 vehicles would be distributed in the same manner as current Gold Star plates are distributed. Annual revenue loss is estimated at \$197,500.

Auto: 78%, or 2,028 of the 2,600 vehicles, registration fee \$75, loss of \$152,100  
4500 lb LTK: 7%, or 182 of 2,600 vehicles, registration fee \$75, loss of \$13,650  
6000 lb LTK: 13%, or 338 of 2,600 vehicles, registration fee \$84, loss of \$28,392

8000 lb LTK: 1%, or 26 of 2,600 vehicles, registration fee \$106, loss of \$2,756  
12,000 FRM: 1%, or 26 of 2,600 vehicles, registration fee \$22.50, loss of \$585

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> Registration fees for certain motor vehicles issued special registration plates		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  DMV will incur \$16,200 for 19 days data processing work. The bill does not fund this cost and DMV cannot absorb the cost within its current budget.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S (Transportation)		-197,500
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-197,500</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	State	Local
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-197,500	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
DOT/ Carson Frazier (608) 266-7857		10/26/2009
Julie Johnson (608) 267-3703		