

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-0179/1	Introduction Number SB-115
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Description
 special registration plates that are military in nature

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

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

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	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
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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/ Reed McGinn (608) 266-7857	Authorized Signature Joan Meier (608) 267-6978	Date 4/12/2019
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Fiscal Estimate Narratives

DOT 4/12/2019

LRB Number	19-0179/1	Introduction Number	SB-115	Estimate Type	Original
Description special registration plates that are military in nature					

Assumptions Used in Arriving at Fiscal Estimate

There were 1,353 new Military Group plates and 145 new Veteran Motorcycle plates issued in 2018 for a total of 1,498. The Department estimates that 60% are issued to former military veterans as opposed to active duty, thus making 899 (1,498 * 60%) plate-holders eligible to have the issuance fee waived under this proposal. The fee waiver would likely increase participation. If participation increased 25%, 1,124 (899*1.25) applicants could qualify to have the \$15 issuance fee waived annually. Based on 2018 year data, this would result in an issuance fee revenue loss of \$16,860 (1,124*\$15) annually. The Department would be required to report this information annually to the Secretary of Administration to transfer an equivalent amount from the general fund to the veterans trust fund.

There are currently 1,449 Military Group plates in circulation under this proposal that would qualify for free annual registration. These plates would also be granted surviving spouse eligibility. The surviving spouse eligibility provision increases participation. The free registration also incentivizes any potential holders of a different Military Group plate to switch their vehicle to a free plate, if they are eligible for both (e.g. Marines to Purple Heart). This could increase applicants by an estimated 25%. Therefore an estimated 1,811 (1,449*1.25) plate-holders would be eligible for free registration annually. The average registration fee for these plates, including autos and various weight classes of light trucks and motorhomes, is \$78. If the registration fee is eliminated for these plates, there would be an annual revenue loss to the transportation fund of \$141,258 (1,811*\$78).

Total annual revenue loss is \$158,118 (\$16,860 + \$141,258).

The total IT system development effort involved in addressing the requirements of the proposal would last 3-months and cost an estimated \$33,050. This is a onetime cost.

Long-Range Fiscal Implications

See above.

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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Description special registration plates that are military in nature			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The total IT system development effort involved in addressing the requirements of this bill totals \$33,050.			
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		-158,118
	TOTAL State Revenues	\$	\$-158,118
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$-158,118	\$
Agency/Prepared By		Authorized Signature	Date
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