

Fiscal Estimate Narratives

DOT 4/25/2003

LRB Number	03-1868/2	Introduction Number	SB-109	Estimate Type	Original
Subject					
Registration plate decal for recipients of the purple heart medal					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires DOT to issue, free of charge, a decal that says "combat wounded veteran," which is to be attached to the rear plate of a Purple Heart registered vehicle.

ONE-TIME COST:

The current Purple Heart plate design does not have room on the rear plate for a decal on which the words "combat wounded veteran" would be readable. The only space on the plate is reserved for the month and year validation stickers. Virtually all Purple Heart plates have a large-font plate number, which leaves no room on the top banner for the wording.

Therefore, to accomplish the bill's direction, DMV would have to issue a replacement plate to current Purple Heart plate owners. The replacement plate would be the same background metal plate. DMV would issue a new banner and logo sticker, incorporating the words "combat wounded veteran," to go on the replacement plate.

There are 935 vehicles currently registered with Purple Heart plates. Issuing a replacement special plate costs DMV about \$16 per set, including the cost of the plate itself, the new month and year validation stickers, postage, and the cost of processing.

Thus, DMV would incur a one-time cost of \$15,000 to replace the current Purple Heart plates. The bill does not increase the DMV appropriation to cover this cost, and DMV cannot absorb this cost in its budget.

ONE-TIME REVENUE:

Under current law, DMV must charge \$10 for replacement of a special plate. For the 935 Purple Heart plates that are replaced, this would mean a one-time revenue increase of \$9,400 to the Transportation Fund. The increase would be to the unappropriated balance of the Transportation Fund.

ONGOING ANNUAL COSTS AND REVENUE:

Any new Purple Heart plate registrations would receive the new banner and logo sticker along with the current background metal plate. New registrations would be handled by DMV just as they are today. Thus, this bill creates no on-going annual cost or revenue change from today's environment.

Long-Range Fiscal Implications

Under current law, all special plates must be redesigned and reissued before June 30, 2007. All special plates are currently scheduled and budgeted for redesign and reissuance in FY 2005. DMV is unable to schedule special plate redesign and reissuance before FY 2005 because necessary data processing changes will not be done before then. Moreover, all special military group plates (which includes the Purple Heart plate) must switch to the new military plate design at the same time, because DMV's plate ordering system orders the same plate look for all military group plates.

In the absence of SB 109, DMV could incorporate the words "combat wounded veteran" into the new Purple Heart plate design, in FY 2005, at no additional, unbudgeted cost to DMV.

If SB 109 were enacted, the Purple Heart plates that would be replaced now, under SB 109, would also be redesigned and reissued in FY 2005. Plate owners would pay an additional \$15 reissuance fee at that time.

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-1868/2	Introduction Number SB-109	
Subject		
Registration plate decal for recipients of the purple heart medal		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
One-time cost to DMV of \$15,000 to replace current Purple Heart plates. The bill does not increase the DMV appropriation to cover this cost, and DMV cannot absorb this cost in its budget. One-time revenue increase of \$9,400 to the Transportation Fund.		
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		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$None	\$
NET CHANGE IN REVENUE	\$None	\$
Agency/Prepared By		
Authorized Signature		Date
DOT/ Carson Frazier (608) 266-7857		4/24/2003
Carol Buckmaster (608) 267-6979		