

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 1118 (Third Edition)

SHORT TITLE: Special License Plates.

SPONSOR(S):

| FISCAL IMPACT | | | | | |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|-------------------------------------------|--------------------------|--------------------------|
| | Yes (X) | No () | No Estimate Available () | | |
| | <u>FY 2004-05</u> | <u>FY 2005-06</u> | <u>FY 2006-07</u> | <u>FY 2007-08</u> | <u>FY 2008-09</u> |
| REVENUES | | | | | |
| Highway Fund – Special Registration Plate Acct | | | | | |
| Retired Highway Patrol High School plates | | | No Fiscal Impact No Estimate Available | | |
| 6 new plates | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 |
| Natural Heritage Trust Fund | | | No Fiscal Impact | | |
| Collegiate and Cultural Attraction Plate Acct | | | | | |
| High School 4-H Foundation | | | No Estimate Available | | |
| | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 |
| El Pueblo | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 |
| HOMES4NC | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 |
| DAR | \$3,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 |
| EXPENDITURES | | | | | |
| Highway Fund – Special Registration Plate Acct | | | | | |
| High School plate | | | No Estimate Available | | |
| 6 new plates | \$26,640 | | | | |
| PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation – Division of Motor Vehicles | | | | | |
| EFFECTIVE DATE: This act is effective when it becomes law. | | | | | |

BILL SUMMARY:

This act authorizes the Division of Motor Vehicles (DMV) to issue a Retired Highway Patrol special plate to the surviving spouse of retired Highway Patrolmen. The bill redistributes the funds for the First in Forestry plate from the Natural Heritage Trust Fund to the Division of Forest Resources. The bill also authorizes the issuance of plates for the following organizations and activities: Daughters of the American Revolution, El Pueblo, HOMES4NC, NC 4-H Development Fund, sport fishing, commercial fishing, and high schools.

ASSUMPTIONS AND METHODOLOGY:

The change in the Retired Highway Patrol plate will not create a fiscal impact. The bill simply lets the surviving spouse renew an existing plate, so no new plates will be sold. In fact, it should keep the Special Registration Plate Account from losing revenue due to the death of any of the 864 retired Highway Patrolmen that currently have the plates. It is not known how many surviving spouses will choose to continue the retiree plate.

The redistribution of funds for the First in Forestry plate will have no impact on the Natural Heritage Trust Fund. This plate has not received the minimum 300 plate requests and has not been issued.

No estimate is available for the number of high school insignia plates that might meet the 300-plate minimum. According to the Department of Public Instruction, there were 338 public high schools in North Carolina in FY 2002-03. For the other six new special plates, this fiscal analysis assumes that the plate applicants already register their vehicles in the state and are paying the current \$20 registration fee, thus there is no new revenue for the Highway Fund. The analysis also assumes the issuance of the minimum 300 license plates in FY 2004-05 and renewal of those plates in the following years. There is a one-time cost of \$100 to design a new plate and an average programming cost of \$3,560 per plate to change the State Titling and Registration System (STARS). There is also a one-time cost to manufacture the special plate. The cost of a DMV recommended two-color plate is \$2.59. For 300 new plates in FY 2004-05, the manufacturing cost is \$777 (300 plate minimum X \$2.59). The total one-time cost for a new plate is \$4,437 and is paid from the Special Registration Plate Account. For 6 new plates, the total cost is \$26,640 (rounded).

In addition to the normal \$20 registration fee, each special plate is assessed a \$10 fee that is deposited into the Special Registration Plate Account. For the 300-plate minimum, this account will receive \$3,000 a year for each plate. For the 6 new plates, the minimum revenue each year is \$18,000.

Several of the new plates have fees for fund raising purposes. These additional fees are first deposited into the Collegiate and Cultural Attraction Plate Account and then transferred to the designated beneficiary. The 4-H plate has a \$20 fee that is deposited into the 4-H Foundation of North Carolina, Inc. to be used to repair and renovate 4-H camps and conference centers. The HOMES4NC plate has a \$20 fee that goes to the NCAR Housing Opportunity Foundation to promote safe, decent, and affordable housing. The El Pueblo plate has a \$20 fee that goes to El Pueblo, Inc. for its Scholarship Fund for Latino students entering any community college, college, or university in North Carolina. The high school plate has a \$15 fee that is returned to the high school to use for academic enhancement. The DAR plate has a \$10 fee that goes to the North

Carolina Daughters of the American Revolution License Plate Trust Fund to be used for the protection of historical spots and the erection of monuments, the support for historical research, the preservation of historical documents and relics, and the promotion of patriotic celebrations.

SOURCES OF DATA: Division of Motor Vehicles; Department of Public Instruction

TECHNICAL CONSIDERATIONS: None

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Signed Copy Located in the NCGA Principal Clerk's Offices