

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4675-03
Bill No.: Perfected HB 1141
Subject: Motor Vehicle; Revenue Department
Type: Original
Date: February 14, 2012

Bill Summary: This proposal modifies the appearance of the “Don’t Tread on Me” license plate.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------------------------|------------------------------|------------------------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| General Revenue | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) |
| Total Estimated Net Effect on General Revenue Fund | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------------------|----------------------------|----------------------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| Highway Fund | Less than \$100,000 | Less than \$100,000 | r Less than \$100,000 |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | Less than \$100,000 | Less than \$100,000 | Less than \$100,000 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------------------|----------------------------|----------------------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| Local Government | Less than \$100,000 | Less than \$100,000 | Less than \$100,000 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections** assume the proposal will have no fiscal impact on their organization.

Officials from **Department of Transportation** concur with the Department of Revenue regarding any possible fiscal impact from the proposal.

Section 301.3163

Officials from the **Department of Revenue (DOR)** state there are no additional administrative impact costs for manufacturing of the “Don’t Tread on Me” license plate or mailings of the plate to license offices. The “Don’t Tread on Me” license plate is already in existence and this proposal only modifies the appearance of the “Don’t Tread on Me” license plate and adds the \$15 specialty plate fee.

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

Since the current legislation went into effect on August 28, 2011, the Department has not issued any “Don’t Tread on Me” license plates. Therefore, no statistics are available of the revenue impact due to the proposed \$15 specialty plate fee to be charged.

DOR states the number of applicants who will wish to obtain this plate is unknown. However, for each 200 “Don’t Tread on Me” specialty plate applications received, there will be an increase in revenue of \$3,000 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

| | |
|-------------------|---------|
| 75% -Highway Fund | \$2,250 |
| 15% - Cities | \$450 |
| 10% - Counties | \$300 |

ASSUMPTION (continued)

Since it is unknown how many plate applications will be received for this plate, for fiscal note purposes only, **Oversight** will estimate revenue as: Less than \$100,000. Oversight will also estimate cost to General Revenue as: (Less than \$100,000).

| <u>FISCAL IMPACT - State Government</u> | FY 2013 (10 Mo.) | FY 2014 | FY 2015 |
|--|---|---|---|
| GENERAL REVENUE | | | |
| <u>Cost</u> - Department of Revenue - Processing costs for specialty plates | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| ESTIMATED NET EFFECT ON GENERAL REVENUE | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| HIGHWAY FUND | | | |
| <u>Income</u> - Specialty plate fees | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| ESTIMATED NET EFFECT ON HIGHWAY FUND | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| | | | |
| <u>FISCAL IMPACT - Local Government</u> | FY 2013 (10 Mo.) | FY 2014 | FY 2015 |
| LOCAL POLITICAL SUBDIVISIONS | | | |
| <u>Income</u> - Cities and Counties - Specialty plate fees | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

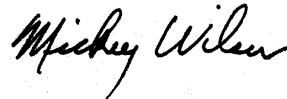
FISCAL DESCRIPTION

This proposal changes the laws regarding the "Don't Tread On Me" special license plate. The proposal requires a person applying for the plate to pay a \$15 fee in addition to the regular registration fees and to present any documents required by law. No additional fee can be charged for the personalization of the license plates. The proposal specifies the detailed design of the plate.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Corrections
Department of Transportation



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Director
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