

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 854** HLS 26RS 95

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 24, 2026 9:07 AM	Author: WALTERS
Dept./Agy.: Department of Public Safety; Office of Motor Vehicles	Analyst: Katherine Granier
Subject: Creates certain specialty license plates	

MTR VEHICLE/LICEN PLATES

EG SEE FISC NOTE GF EX

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Creates certain specialty license plates

Proposed law requires the Department of Public Safety and Corrections, Public Safety Services (DPS), Office of Motor Vehicles (OMV) to create certain specialty prestige license plates, provided there is a minimum of 1,000 applicants for such plates. Proposed law provides that OMV shall create the Alzheimer's Awareness, Lupus Awareness, Krewe of Sobek, Mystic Krewe of Imani, Krewe of Harambee, Huntington High School, Green Oaks Performing Arts Academy, Haynesville Jr/Sr High School, and Lincoln Preparatory School special prestige license plates when OMV's electronic vehicle and title registration system is updated to accommodate the creation of new plates. Proposed law restricts the specialty license plate to passenger cars, pickup trucks, recreational vehicles, motorcycles, and vans. Proposed law directs DPS to collect a \$25 annual royalty fee and forward the fee to the Alzheimer's Association Louisiana Chapter, R. Tammy Fleming Lupus Foundation, Krewe of Sobek, Mystic Krewe of Imani, and Krewe of Harambee.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0					\$0

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0					\$0

EXPENDITURE EXPLANATION

Proposed law will have an indeterminable, likely marginal, impact on state expenditures for the Department of Public Safety (DPS), Office of Motor Vehicles (OMV) to issue a special prestige license plate because of the inability of OMV's legacy system to create additional special prestige license plates at this time. Currently, OMV is unable to create new license plates on the legacy mainframe system, as it has reached maximum capacity.

In July 2025, OMV selected a new vendor, CHAMP Titles, to replace its old legacy mainframe system - vehicle services and driver services platforms. Once the vehicle services portion is completed in September 2027, OMV can begin issuing new special prestige license plates. If the proposed legislation becomes law, the department reports that any legislatively mandated changes will be made, when technologically possible, as part of the existing contract with CHAMP Titles/Drive 360 Solution. **Therefore, the proposed law is not likely to create a direct expenditure impact within the five-year horizon of this fiscal note as the vendor will make any legislatively mandated changes regarding prestige plates as part of the existing contract. However, there will be a marginal cost once the plate is issued based on historical costs.**

Historically, legislation issuing special prestige license plates results in an indeterminable, but likely marginal, increase in state expenditures for supplies associated with the manufacture of license plates. The proposed law will require \$4,320 in supply purchases to manufacture 1,000 of specialized plates at a cost of \$4.32 per plate (\$4.32 x 1,000 = \$4,320). Each additional license plate would result in an expenditure increase of \$4.32. DPS is limited to collecting only \$3.50 for administrative costs, every 1,000 plates issued each fiscal year results in an expenditure of \$820 SGF.

REVENUE EXPLANATION

To the extent these plates are issued in the future, the proposed law may generate \$3,500 in self-generated revenue for OMV for every 1,000 specialty prestige plates that are issued. The proposed law authorizes OMV to charge a \$3.50 handling fee per license plate sold to offset a portion of administrative costs (\$3.50 x 1,000 plates = \$3,500). Proposed law may also generate \$50,000 in royalty fees at \$25 annually per plate for every 1,000 plates issued (\$25 per plate x 1,000 x 2 years). Fees are collected every two years upon renewal. Royalties collected are deposited into an escrow account and then forwarded to the Alzheimer's Association Louisiana Chapter, R. Tammy Fleming Lupus Foundation, Krewe of Sobek, Mystic Krewe of Imani, and Krewe of Harambee. For Huntington High School and Green Oaks Performing Arts Academy, royalties collected are deposited into an escrow account and shall be forwarded directly to the Caddo Parish Public Schools, which shall forward such royalties to the respective schools to be used for school and instructional activities.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer