

**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **HB 366** HLS 14RS 1152
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | |
|-------------------------------------|-----------------------------------|
| Date: March 12, 2014 8:38 AM | Author: PEARSON |
| Dept./Agy.: Public Safety | Analyst: Matthew LaBruyere |
| Subject: License Plates | |

MTR VEHICLE/LICEN PLATES EG INCREASE SG EX See Note Page 1 of 1
 Creates the "Distinguished Service Cross Recipient" military honor license plate

Proposed law requires the Secretary of the Department of Public Safety and Corrections to establish a motor vehicle military honor license plate for Distinguished Service Cross Recipients. Proposed law provides that the fee is the regular motor vehicle license fee. This license plate will be restricted to passenger cars, pickup trucks, recreational vehicles and vans. Proposed law provides that the secretary shall adopt rules governing the transfer of license plates from one vehicle to another and the disposition of such license plates.

| EXPENDITURES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Agy. Self-Gen. | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |
| REVENUES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

The proposed law will result in an indeterminable increase in state expenditures for supplies associated with the manufacture of license plates. The proposed legislation will require \$3,700 in supply purchases to manufacture 1,000 "Distinguished Service Cross Recipient" plates at a cost of \$3.70 per plate (\$3.70 x 1,000 = \$3,700). To the extent additional plates are needed, the costs will increase to accommodate the purchase of each additional plate. The legislation does not require 1,000 plates, but DPS estimates 1,000 will be needed to supply each Motor Vehicle Office.

The Department of Public Safety (DPS) indicates the proposed law may require approximately 120 hours of overtime for the Information Services Section at an average cost of \$32 per hour (\$32 x 120 = \$3,840) plus associated Medicare expenses (\$3,840 x 1.45% = \$56), or a total of \$3,896 in personal services. The legislation will require programming and database modifications performed by IT Applications Analysts to support the new license plate. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

NOTE: R.S. 47:490.1 specifically provides for military plates being unique and distinct from prestige plates, are issued to an easily identified class of individuals, are often issued and renewed without additional fees, do not require a minimum number of applicants, and are not used to raise funds for institutions or organizations.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. This legislation provides for the newly created plates to charge regular motor vehicle registration license fees. Current law provides for these license plates to be issued in the same manner as other motor vehicle license plates (R.S. 47:463).

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| Senate | <u>Dual Referral Rules</u> | House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} | |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |

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