LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 563** HLS 14RS 1015
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 9, 2014 7:27 AM
Author: LORUSSO
Dept./Agy.: Public Safety
Subject: License Plates
Analyst: Matthew LaBruyere

MTR VEHICLE/LICEN PLATES EN INCREASE SG EX See Note
Creates the "Mount Carmel Academy" special prestige license plate

Present law provides for the creation of special prestige license plates for Louisiana public and private high schools, including Archbishop Hannan High School and Jesuit High School.

Proposed law adds Mount Carmel Academy to the list of high schools for which a special prestige license plate will be established.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	$0	$0	$0	$0	**$0**
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	$0	$0	$0	$0	$0	**$0**
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.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total						

EXPENDITURE EXPLANATION

The proposed law will result in an indeterminable increase in state expenditures for supplies associated with the manufacture of license plates. The Department of Public Safety 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.

The proposed legislation legislation will require $370 in supply purchases to manufacture 100 "Mount Carmel Academy" plates at a cost of $3.70 per plate ($3.70 x 100 = $370).

The total expenditures in the first year are approximately $4,266, assuming 100 plates are manufactured and sold. Each additional license plate would result in an expenditure increase of $3.70. Because the cost of manufacturing a plate exceeds the administrative fee allowed to the department, each plate manufactured would result in a $0.20 impact that would be absorbed within the department's existing budget authority, or may require SGF support if the existing budget is insufficient.

REVENUE EXPLANATION

The proposed law may generate approximately $350 in self-generated revenue for the Office of Motor Vehicles for every 100 "Mount Carmel Academy" plates that are issued. The bill authorizes the department to charge a $3.50 handling fee per license plate sold to offset a portion of administrative costs ($3.50 x 100 plates = $350).

The proposed law would also generate $5,000 in royalty fees at $25 annually per plate for every 100 plates issued (collected every two years upon renewal). Royalties collected by the department are deposited into an escrow account and then would be forwarded to the Mount Carmel Academy. The monies received from the royalty fees are to be used to provide young women the opportunity to develop their God-given talents through academic excellence and cocurricular activities.

Senate Dual Referral Rules House

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

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

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

☐ 6.8(F)(2) >= $500,000 State Rev. Reduc. {H & S}

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

Evan Brasseaux

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