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 DATE PREPARED: March 01, 2011
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LB 661

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(See Below)		(See Below)
FEDERAL FUNDS				
HIGHWAY TRUST FUND		(See Below)		(See Below)
TOTAL FUNDS		(See Below)		(See Below)

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 661 decreases the additional fee for a set of specialty license plates from \$70 to \$50. The bill has the emergency clause so it takes effect upon passage.

Current law provides for the issuance of specialty license plates for any organization for which 500 prepaid applications are received. Eligible organizations must be nonprofit corporations or a group of nonprofit corporations with a common purpose. The Department of Motor Vehicles (DMV) indicates that no specialty plates have been issued to date.

Specialty plate fees are deposited in the Highway Trust Fund and the DMV Cash Fund. A \$20 reduction in the specialty plate fee will reduce revenue for these funds. It was assumed that about four organizations would apply for specialty plates when the authorization to issue such plates was passed in LB 110 (2009). Using this assumption, the bill may decrease annual revenue for the funds as follows:

	Current Fee	LB 661 Fee	Decrease in Fee		Estimated # of Sets	Estimated Decrease in Revenue
DMV Cash Fund	10.50	7.50	3.00		2,000	6,000
Highway Trust Fund	<u>59.50</u>	<u>42.50</u>	<u>17.00</u>		2,000	<u>34,000</u>
	<u>\$70.00</u>	<u>\$50.00</u>	<u>\$20.00</u>		2,000	<u>\$40,000</u>

It is also possible that the reduction in the plate fee may result in an increase in organizations applying for specialty plates. If so, then projected revenue decreases pursuant to the bill could be offset somewhat by increased revenue from more individuals purchasing such plates.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE 2/2/11	PHONE 471-2526
COMMENTS			
NEBRASKA DEPARTMENT OF MOTOR VEHICLES: Agency's estimate appears to be reasonable. DEPARTMENT OF ROADS: No basis to disagree with estimate of impact.			