

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	523	23,511	523	23,511
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	523	23,511	523	23,511

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB771 expands the types of vehicles which qualify to have a single license plate issued. The expansion adds trucks with a gross weight rating of seven (7) tons or less that are not manufactured to be equipped with a bracket on the front of the vehicle to display a license plate.

The current requirement for passenger cars requesting a single license plate is that an additional annual nonrefundable registration fee of \$50 dollars plus the cost of the decal (\$0.60) be paid to the county treasurer where all fees are then credited to the Highway Trust Fund (HTF), would also be applicable to the qualifying trucks. The cost of the decal is an expenditure from the License Plate Cash Fund pursuant to 60-3,103.

Revenue:

In CY2018, 0.218 percent of all passenger vehicles registered received a single plate and paid the additional fee. Using this same percentage of vehicles and applying it to the total trucks with a gross weight rating of seven (7) tons or less that were registered in CY2018 (approx. 400,000 per DMV), there would be additional revenue that is credited to the HTF in the amount of \$44,111 each year resulting from 872 trucks qualifying and purchasing the additional decal. HTF revenue is divided between cities and counties (46.6% Highway Allocation Fund) and the Department of Transportation (53.3% Highway Cash Fund). Assuming the revenue amounts in a calendar year mirror those in the state-fiscal-year (SFY); each SFY, cities and counties would see an increase of \$20,555 and the Department of Transportation would see an increase of \$23,511.

Expenditures:

The cost to produce the decal is currently \$0.60. Based on the above estimated number of trucks that would pay the additional fees, the estimated expenditures from the License Plate Cash Fund would be \$523 annually.

The Department of Motor Vehicles has provided a fiscal note (see attached) indicating there would be programming costs associated with the change, but that they would be absorbed within their existing appropriation. Additionally, the DMV estimates that 500 additional vehicles will pay the additional fee and cost of the decal.

Lancaster County provided a fiscal note (see attached) indicating no fiscal impact. Outside of the of the Highway Allocation Fund revenue discussed above, there is no basis to disagree.

Without an increase in the Highway Cash Fund appropriation to the Roads Operations Cash Fund, any increase in revenue to the Highway Cash Fund would be offset by a reduction in the variable gas tax. However, the small estimated impact outlined above is not anticipated to change the variable gas tax as the Highway Cash Fund appropriation to the Roads Operations Cash fund is over \$450 million each fiscal year of the current biennium.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 771 AM: AGENCY/POLT. SUB: Nebraska Department of Motor Vehicles

REVIEWED BY: Lucas Martin DATE: 1/23/2020 PHONE: (402) 471-4181

COMMENTS: Given the Department of Motor Vehicles' assumptions, there is no basis to disagree with the estimated fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 771 AM: AGENCY/POLT. SUB: Lancaster County Treasurer

REVIEWED BY: Lucas Martin DATE: 1/15/2020 PHONE: (402) 471-4181

COMMENTS: No basis to disagree with the Lancaster County Treasurer's assessment of no fiscal impact.

Please complete ALL (5) blanks in the first three lines.

2020

LB⁽¹⁾ 771

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 14, 2020 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	300	_____	300	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>300</u>	_____	<u>300</u>	_____

Explanation of Estimate:

Program 090

The DMV estimates there will be 500 vehicles that will require this decal at a cost of \$0.60 each. The total annual estimation is \$300. These funds will be expended by the License Plate Cash Fund.

This bill will require 40 hours of programming and testing by DMV staff that will be absorbed within existing DMV appropriation for Program 070.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	300	300
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>300</u>	<u>300</u>

Please complete ALL (5) blanks in the first three lines.

2020

LB⁽¹⁾ 771

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Treasurer

Prepared by: ⁽³⁾ Kristen Anderson Date Prepared: ⁽⁴⁾ 1/14/19 Phone: ⁽⁵⁾ (402) 441-7409

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

No Fiscal Impact