

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	See Below	\$6,000	See Below	\$12,000
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		<b>\$6,000</b>		<b>\$12,000</b>

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

LB 546 provides for the issuance of Spay and Neuter Awareness license plates beginning on January 1, 2020. The plates may be either numerical or personalized message plates. Applicants for message plates pay an annual \$40 plate fee which is deposited into the Spay and Neuter Awareness Fund, which is established by the bill.

All applicants for plates also pay the regular per plate fee, which is capped at \$3.50 by current statute. If the manufacturing cost of the plates exceeds the amount charged as a regular plate fee, then the difference between the manufacturing costs and the amount charged is credited to the Highway Trust Fund (HTF) instead of the Spay and Neuter Awareness Fund. The bill also has language providing for the plates to be designed to limit the manufacturing cost to equal to or less than the amount charged for the plates.

DMV Expenditures: LB 546 increases expenditures of the DMV in FY2019-20 to modify the Vehicle Titling and Registration and plate management computer systems to accommodate the new Spay and Neuter Awareness plates. The department indicates it can handle the estimated 80 hours of programming and testing with existing staff and resources.

DMV estimates there may be about 1,000 sets of Spay and Neuter Awareness plates sold annually based upon their experience with other specialty license plates. Using this estimate, it is assumed half of this number (500) will apply in the initial fiscal year. It is also assumed that 70% of the plates issued will be numerical and 30% will be personalized.

Assuming the manufacturing cost is equal to the price charged for a plate, then expenditures by the HTF and revenue received by the fund from plate charges will equal a maximum of \$3,500 (\$7.00/set x 500 sets) in FY2019-20 and double this amount in FY21 when an estimated 1,000 plates are manufactured. If the manufacturing expense is higher than the amount charged for a regular plate, then the difference between the manufacturing costs and the amount charged is credited to the HTF instead of the Spay and Neuter Awareness Fund.

Revenue: Increased revenue from the \$40 fee for a personalized plate will be deposited in the Spay and Neuter Awareness Fund. The estimated revenue for the fund in FY2019-20 is \$6,000 (500 sets x 30% personalized message plates x \$40). The estimated revenue for the fund in FY2020-21 is \$12,000 (1,000 sets x 30% personalized message plates x \$40).

The bill allows owners to apply to the country treasurer to transfer specialty plates from one owned vehicle to another. The application for the transfer is \$3.00. The fees are placed in the DMV Cash Fund. The number of transfers is unknown.

Department of Agriculture Grant Program: The cash fund revenue from the personalized message plate fee is to be used by the Department of Agriculture for a low-income grant program for the purpose of funding entities that spay or neuter cats or dogs. It is assumed the Department of Agriculture will request spending authority for the program beginning in FY21 after sufficient revenue is received to administer and fund the grant program.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 546	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles	
REVIEWED BY: Claire Oglesby	DATE:	1/30/19	PHONE: (402) 471-4174
COMMENTS: The Nebraska Department of Motor Vehicles calculation of fiscal impact appears reasonable based on the assumptions provided.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 546	AM:	AGENCY/POLT. SUB: Department of Agriculture	
REVIEWED BY:	Lucas Martin	DATE: 2/1/2019	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Department of Agriculture's assessment of fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 546	AM:	AGENCY/POLT. SUB: Department of Transportation	
REVIEWED BY:	Lucas Martin	DATE: 1/31/2019	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Department of Transportation's assessment of fiscal impact.			

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

**2019**

**LB<sup>(1)</sup> 546**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Motor Vehicles

Prepared by: <sup>(3)</sup> Bart Moore Date Prepared: <sup>(4)</sup> January 25, 2019 Phone: <sup>(5)</sup> 402-471-3902

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	3,600		7,200	
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>3,600</b>		<b>7,200</b>	

**Explanation of Estimate:**

Program 090 – The effective date of this legislation is January 1, 2020. The expenditures will be for plate production of 500 sets (1000 plates) during FY 2019-20 at \$3.60 per plate = \$3,600, and 1000 sets (2000 plates) at \$3.60 per plate = \$7,200.

The Department will also incur 80 hours of programming and testing staff time which can be absorbed within existing appropriation.

The Department will receive no revenue from the legislation.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20 EXPENDITURES</u>	<u>2020-21 EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</u>		
Benefits.....				
Operating.....			3,600	7,200
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>3,600</b>	<b>7,200</b>

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

**2019**

**LB<sup>(1)</sup> 546**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Agriculture

Prepared by: <sup>(3)</sup> Christina Barber Date Prepared: <sup>(4)</sup> 1/31/19 Phone: <sup>(5)</sup> 402-471-6821

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$17,800			
CASH FUNDS	\$6,000	\$6,000	\$18,000	\$18,000
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$23,800</b>	<b>\$6,000</b>	<b>\$18,000</b>	<b>\$18,000</b>

**Explanation of Estimate:**

The Department of Agriculture estimates the expenses to administer the program to exceed the revenue in the first year. However in the second and following years the anticipated revenue will cover expenses and have dollars remaining for aid money. The Department anticipates a 0.25 FTE Attorney will be needed to write the procedures as well as write and review the grant agreements for the first year and 0.1 FTE for the second year. There will be a need for a 0.5 FTE Administrative Assistant to answer phones, send letters and other office administrative duties for the first year and 0.1 FTE for the second year.

Revenue is from sales of plates which are estimated to be 500 sets for the first year and 1,000 sets for the second. No revenue comes from alphanumeric plates. \$40 of revenue will be received from personalized plates. It is estimated that only 30% of plates will be personalized. This translates to 150 personalized plates in the first year and 450 in the second year. The second year estimate includes the 150 plates renewed from the first year.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Attorney	.125	.1	\$7,700	\$6,100
Administrative Assistant	.25	.1	\$8,600	\$3,500
Benefits.....			\$7,500	\$3,500
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				\$4,900
Capital improvements.....				
<b>TOTAL.....</b>			<b>\$23,800</b>	<b>\$18,000</b>

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**2019**

**LB<sup>(1)</sup> 546**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Becky Fleming Date Prepared: <sup>(4)</sup> 1/30/2019 Phone: <sup>(5)</sup> 402-479-4692

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 546 provides for a low-income spay and neuter grant program and for Spay and Neuter Awareness Plates. A fee of forty dollars for personalized plates will be collected for issuance or renewal of each plate where 100% of the fee is distributed to the Spay and Neuter Awareness Fund. No additional fee shall be due for the initial issuance or renewal of alphanumeric Spay and Neuter Awareness Plates.

If the cost of manufacturing these plates exceeds the amount charged pursuant to section 60-3,102, the revenue from the additional plate fee shall be credited first to the Highway Trust Fund to cover the cost of manufacturing with the remainder credited to the Spay and Neuter Awareness Fund.

No fiscal impact is anticipated to the Department.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>