

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3802-01
Bill No.: SB 1043
Subject: Licenses – Motor Vehicle; Revenue Dept.
Type: Original
Date: February 16, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Highway Fund	\$501,656	\$601,988	\$601,988
Total Estimated Net Effect on <u>Other</u> State Funds	\$501,656	\$601,988	\$601,988

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$167,219	\$200,663	\$200,663

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue (DOR)** assume this proposal could have fiscal impact on their agency. This proposal requires all existing specialty plate applications (excluding military specialty license plates) to pay \$25 (a net increase of \$10 per set). Currently, there are approximately 160,530 specialty plates on the General Registration System (GRS). As approximately 50% of applicants choose biennial registration, the anticipated revenue from this increase is \$802,650 per year.

FY 05 (10 months) Income

66,888 plate applications * \$10 increase \$668,880

FY 06 Income

80,265 plate applications * \$10 increase \$802,650

FY 07 Income

80,265 plate applications * \$10 increase \$802,650

ASSUMPTION (continued)

According to the Missouri Constitution, this revenue is to dispersed in the following manner:

State Road Fund	75%
Cities	15%
Counties	10%

This proposal would increase Total State Revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
HIGHWAY FUND			
<u>Income-DOR</u>			
License Plate Fee	<u>\$501,656</u>	<u>\$601,988</u>	<u>\$601,988</u>
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>\$501,656</u>	<u>\$601,988</u>	<u>\$601,988</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2005 (10 Mo.)	 FY 2006	 FY 2007
<u>Income-Cities</u>			
License Plate Fee	\$100,331	\$120,398	\$120,398
<u>Income-Counties</u>			
License Plate Fee	<u>\$66,888</u>	<u>\$80,265</u>	<u>\$80,265</u>
NET ESTIMATED EFFECT ON LOCAL FUNDS	<u>\$167,219</u>	<u>\$200,663</u>	<u>\$200,663</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal creates a review process and stated criteria for the development of specialty license plates. It also raises specialty plate fees to \$25.00.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue



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Director
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