


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

Drafting Number: LLS 12-0787

Date: July 18, 2012

Prime Sponsor(s): Rep. Priola
Sen. Tochtrop

Bill Status: Signed into Law

Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING THE CREATION OF A COLORADO ROCKIES LICENSE PLATE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
Cash Funds	<u>\$167,760</u>	<u>\$27,960</u>
Highway Users Tax Fund	\$75,000	\$12,500
Licensing Services Cash Fund	75,000	12,500
License Plate Cash Fund	17,760	2,960
State Highway Fund	increase	increase
State Expenditures		
Cash Funds	<u>\$20,720</u>	<u>\$2,960</u>
HUTF - License Plate Cash Fund	\$17,760	\$2,960
HUTF - CSTAR Account	2,960	
FTE Position Change		
Effective Date: The bill was signed into law by the Governor on April 9, 2012, and takes effect August 8, 2012, assuming no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill creates the Colorado Rockies special license plate. The plate will be available to all applicants who pay a one-time additional fee of \$50 and demonstrate they have donated \$52.80 to the Colorado Rockies Baseball Club Foundation. Of this fee, \$25 is credited to the Licensing Services Cash Fund (LSCF) and \$25 is credited to the Highway Users Tax Fund (HUTF).

State Revenue

This bill is anticipated to increase state cash fund revenue by up to \$167,760 in FY 2012-13 and \$27,960 in FY 2013-14. Table 1 displays revenue generated by fiscal year.

Table 1. State Revenue Generated Under HB 12-1295		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Issued	3,000	500
Revenue Credited to License Plate Cash Fund (\$5.92)	\$17,760	\$2,960
\$25 Fee to Highway Users Tax Fund	75,000	12,500
\$25 Fee to Licensing Services Cash Fund	75,000	12,500
Total Revenue	\$167,760	\$27,960

Revenue is generated from the plate and tab production fee of \$5.92 per plate set, credited to the License Plate Cash Fund, which all vehicle owners must pay upon registration. Applicants for the Colorado Rockies plate are also required to pay an additional \$50 fee; of this, \$25 is credited to the Highway Users Tax Fund and \$25 is credited to the Licensing Services Cash Fund. The Department of Revenue (DOR) may begin issuing the plate on January 1, 2013, upon completion of design and administrative preparations. This fiscal note assumes the DOR will issue 3,000 plate sets in FY 2012-13, and 500 plate sets in FY 2013-14.

State Highway Fund. This bill increases State Highway Fund revenue in the Department of Transportation by an estimated \$48,750 in FY 2012-13 and \$8,125 in FY 2013-14. Since this bill is expected to increase HUTF revenue by \$75,000 in FY 2012-13, and \$12,500 in FY 2013-14, the State Highway Fund is increased accordingly. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and municipalities (9 percent) for transportation purposes.

State Expenditures

State expenditures will increase by \$20,720 in FY 2012-13 and \$2,960 in FY 2013-14. Table 2 shows the costs required to implement the bill.

Table 2. State Expenditures Under HB 12-1295		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Manufactured	3,000	500
Plate and Tab Production cost (\$5.92)	\$17,760	\$2,960
Computer Programming (40 hours at \$74.00 per hour)	2,960	0
Total	\$20,720	\$2,960

In FY 2012-13, one-time computer programming costs of \$2,960 are required to update the Colorado State Titling and Registration System (CSTARS). Plate and tab production costs are expended from the License Plate Cash Fund (LPCF). Based on expected demand for the new plate, an initial run of 3,000 plate sets will be necessary. The plate will be designed by the Colorado Rockies Baseball Club Foundation, and therefore the DOR will not incur design costs of \$200.

Local Government Impact

The bill increases county and municipal government revenue by an estimated \$26,250 in FY 2012-13 and \$4,375 in FY 2013-14. Since this bill is expected to increase HUTF revenue by \$75,000 in FY 2012-13, and \$12,500 in FY 2013-14, county and other local distributions are increased accordingly. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and municipalities (9 percent) for transportation.

State Appropriations

For FY 2012-13, the DOR requires two cash fund appropriations — \$17,760 from the License Plate Cash Fund, and \$2,960 from the HUTF CSTAR Account. In addition, the Governor's Office of Information Technology requires spending authority for \$2,960 in reappropriated funds.

Departments Contacted

Corrections
Transportation

Governor's Office of Information Technology

Revenue