

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(\$8,225)		(\$16,450)
FEDERAL FUNDS				
HIGHWAY TRUST FUND		(\$50,525)		(\$85,775)
TOTAL FUNDS		(\$58,750)		(\$102,225)

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

LB 782 redefines governmental unit for purposes of the issuance of distinctive license plates. It expands the number of entities that are eligible for governmental license plates. The bill provides for the issuance of a governmental plate for vehicles owned by natural resource districts, public power districts, irrigation districts and rural power districts. These entities currently pay registration and license plate fees for their vehicles. The bill has an operative date of January 1, 2011.

The Department of Motor Vehicles (DMV) indicates there are about 4,700 vehicles owned by the governmental units that will be eligible for government plates and exempted from the payment of registration and license plate fees pursuant to the bill. The fiscal impact of the bill will be an annual loss in revenue for the funds which receive registration fees as shown in the following table. The estimated fiscal impact for 2010-11 is half of the annual impact due to the implementation date of the bill.

Fund	# of Exempted Vehicles	Fee	Loss of Revenue
Highway Trust Fund	4,700	\$15.00	\$70,500
County General Fund	4,700	\$2.00	\$9,400
State Recreation Road Fund	4,700	\$1.50	\$7,050
DMV Cash Fund	4,700	\$1.50	\$7,050
Emerg. Med. Sys. Oper. Fund	4,700	\$0.50	\$2,350
Total		\$20.50	\$96,350

There would also be an additional loss in revenue for the Highway Trust Fund (HTF) in CY2011 when the initial license plate is issued for vehicles owned by the exempted entities. The \$3.25 plate fee would not be collected which will result in a total loss in revenue for the HTF of \$30,550, with an estimated loss of \$15,275 in 2010-11 and \$15,275 in 2011-12. Thereafter, since governmental plates are not automatically replaced every six years, the loss in revenue for the HTF would be somewhat less depending upon the number of additional vehicles acquired by the entities.

DMV also indicates there will be a loss of revenue for municipalities which collect wheel taxes. The unknown loss of revenue is projected to be small.