

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$10,563	See Below		See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$10,563			

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

LB 596 changes current provisions relating to Purple Heart license plates and specialty plates. The bill requires the Department of Motor Vehicles (DMV) to manufacture specialty plates for a nationally recognized military association when the department receives 150, rather than 500 prepaid applications, for the association. The bill allows DMV to revoke the plate if the total number of vehicles with the plates is less than 150 within three years after receiving approval.

The bill also provides for a new \$5 fee to be paid by those applying for the military specialty plate. The fee is deposited in the Nebraska Veteran Cemetery System Operation Fund. LB 596 repeals a \$5 fee currently paid by applicants for Purple Heart plates which is deposited in the fund.

Expenditures: DMV will have one-time computer programming expenses for the Vehicle Titling and Registration System of \$10,563 of cash funds in FY2013-14 to accommodate the new military specialty plates. It is assumed the lower threshold to apply for the specialty plates will allow for the issuance to occur sooner than under current law. However, DMV does not project a need for any additional funds to pay for the manufacture of the plates because the number of organizations and individuals applying for the plates is projected to be small.

Revenues: The bill reduces annual revenue for the Nebraska Veteran Cemetery System Operation Fund by \$4,580 of cash funds which is the amount currently received from the \$5 fee paid by 916 individuals for Purple Heart license plates. It is assumed that at some time in the future the revenue loss will be offset by the \$5 fee charged to individuals purchasing military specialty plates, when military organizations are able to gather at least 150 plate applicants. The Department of Veterans Affairs estimates the new fee will generate an estimated \$21,000 annually for the fund, assuming 3% of the state's veteran's population applies for a military specialty plate.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 596	AM:	AGENCY/POLT. SUB Nebraska Department of Veteran Affairs
REVIEWED BY: David Spatz	DATE: February 28, 2013	PHONE: 471-4179
COMMENTS: Concur with the Nebraska Department of Veteran Affairs' analysis and estimate of \$21,000 increased cash fund revenue fiscal impact to the agency, however, LB 596 also included the elimination of a \$5 fee for purple heart plates that is distributed to the Nebraska Veteran Cemetery Fund which is estimated to be in a loss of \$4,580. Net increased revenue fiscal impact estimate for Nebraska Department of Veteran Affairs should reflect an amount of \$16,420 for both fiscal years		

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

Prepared by: Gary Ryken Date Prepared: 01-Mar-13 Phone: 471-3902 Fax: 471-9594
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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$ 10,563			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ 10,563	\$ -	\$ -	\$ -

Explanation of Estimate:

LB 596 changes provisions to specialty license plates and Purple Heart license plates. LB 596 creates a new category of specialty license plates for nationally recognized military associations. The threshold for prepaid applications is 150 compared to 500 for regular specialty plates. In addition to the normal \$70 fee associated with specialty plates, a \$5 fee would be charged and distributed to the Nebraska Veteran Cemetery Fund. LB 596 also eliminates the \$5 fee associated with Purple Heart Plates.

Modifications to the Vehicle Titling and Registration computer system will be required to accommodate the creation of these specialty plates. It is estimated that approximately 130 hours of computer programming at \$81.25/hr. will be required at a estimated cost of \$10,563.

DMV does not anticipate requiring additional appropriation to manufacturer the plates. Even with the lower threshold DMV does not anticipate many organizations applying for the plates. There are currently only two organizations offering plates under the existing statutes for organizational specialty plates. It is anticipated that any increase in revenue from the sale of the military specialty plates will be minimal.

LB 596 eliminates the \$5 fee for purple heart plates that is distributed to the Nebraska Veteran Cemetery Fund. For 2012 there were 916 purple heart plates issued which would result in a loss to the Cemetery Fund of approximately \$4,580. This reduction would be offset by the \$5 fee on the military specialty plates once an organization applies, qualifies and plates are sold.

POSITION TITLE	MAJOR OBJECTS OF EXPENDITURE			
	NUMBER OF POSITIONS		FY 2013-2014	FY 2014-2015
	13-14	14-15	EXPENDITURES	EXPENDITURES
Benefits				
Operating			\$ 10,563	
Travel				
Capital Outlay				
Aid				

Capital Improvements		
Total	<u>\$ 10,563</u>	<u>\$ -</u>

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2013

LB⁽¹⁾ 596 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NEBRASKA DEPARTMENT OF VETERANS' AFFAIRS

Prepared by: ⁽³⁾ GARY MAIXNER Date Prepared: ⁽⁴⁾ JAN 28, 2013 Phone: ⁽⁵⁾ 402-471-2458

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	21,000	_____	21,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>21,000</u>	<u>_____</u>	<u>21,000</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The establishment of specialty license plates for nationally recognized military associations and the corresponding fee proposed in this bill may result in an increase of revenue into the Nebraska Veteran Cemetery Operation Fund #22820.

Assuming 3% of the state's veteran population (140,000) applies for plates there may be 4,200 sets of plates sold. If so, the Nebraska Veteran Cemetery Operation Fund would receive \$21,000.

This would not be able to be utilized in the proposed 2013-2015 budget cycle.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____