

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2017-18</b>		<b>FY 2018-19</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS		\$4,580		\$9,160
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		<b>\$4,580</b>		<b>\$9,160</b>

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

LB 45 provides for the issuance of Military Honor license plates to individuals who are reservists in the armed forces beginning January 1, 2018. The bill increases the number of designs for Military Honor plates from six to eleven designs. The plates may be either numerical or message plates. Applicants for numerical plates must pay an annual \$5.00 fee which is credited to the Nebraska Veteran Cemetery System Operation Fund (NVCSO). Persons purchasing message plates must pay an annual \$40 plate fee of which 75% is deposited in the NVCSO fund and 25% accrues to the Department of Motor Vehicles (DMV) Cash Fund. Persons eligible for military plates must register with the Department of Veterans Affairs in order to be approved to purchase military honor plates.

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 NVCSO 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.

Expenditures: DMV indicates the minor computer programming expenses to accommodate the issuance of Military Honor plates to reservists can be handled with existing appropriations.

DMV indicates there were about 6,500 active duty reservists in the state in 2014. The Department of Veterans Affairs estimates there are about 15,000 retired reservists. This fiscal note assumes about 5% of the eligible reservists, or 1,076 individuals, will apply for Military Honor plates. It is assumed half of this number will apply in the initial fiscal year due to the issuance of the plates for only six months in FY2017-18. It is also assumed that 90% of the plates issued will be numerical and 10% 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 \$3,766 (\$7.00/set x 538 sets) in FY2017-18. 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 NVSCO Fund.

Revenues: Increased revenue from the \$5 annual fee for a military honor numerical plate will be deposited in the NVCSO Fund and the \$40 fee for a personalized plate will be deposited in the DMV Cash Fund and the NVCSO Fund. The following table shows the estimated increase in revenue assuming 538 sets of military honor plates are issued to reservists in FY2017-18 and 1,076 sets are issued in FY2018-19.

TYPE OF PLATE	Fee	Est. # of Sets	Revenue 2017-18	Revenue 2018-19
	<b>FY17</b>			
Numerical Plate – NVCSO CF	\$5.00	484	\$2,420	
Personalized Plate - DMV CF	\$10.00	54	\$540	
Personalized Plate - NVCSO CF	\$30.00	54	\$1,620	
<b>FY18</b>				
Numerical Plate – NVCSO CF	\$5.00	968		\$4,840
Personalized Plate - DMV CF	\$10.00	108		\$1,080
Personalized Plate - NVCSO CF	\$30.00	108		\$3,240
<b>Total Estimated Revenue</b>			<b>\$4,580</b>	<b>\$9,160</b>



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

**2017**

**LB<sup>(1)</sup> 45**

**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> \_\_\_\_\_ Phone: <sup>(5)</sup> (402)471-3902

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

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	1,100	_____	1,800
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>1,100</b>	<b>=====</b>	<b>1,800</b>

**Explanation of Estimate:**

LB 45 expands those eligible to receive Military Honor Plates to those in the reserves. This will expand the number of available Military Honor Plates to eleven. There will be minor computer modifications necessary that can be done within existing appropriation. LB 45 carries a January 1, 2018 implementation date.

In 2014 there were 6,494 active reservists in Nebraska. The number of retired reservists is not known. For the purposes of this fiscal note it is estimated that an additional 600 sets of Military Honor plates would be sold. Based upon the 600 sets the additional cost for license plates to Program 90 will be \$4,320 and can be handled with current appropriation. Estimated increases in revenues follow:

**Revenues**

FY 18 Numeric Sets 250 @ \$5 & Message Sets 110 @ \$40 = DMV \$1,100, Veterans Affairs \$4,550  
 FY 19 Numeric Sets 170 @ \$5 & Message Sets 70 @ \$40 = DMV \$700, Veterans Affairs \$2,950  
 FY 19 Renewals 250 @ \$5 & Message Sets 110 @ \$40 = DMV \$1,100 Veterans Affairs \$4,550

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18 EXPENDITURES</u>	<u>2018-19 EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

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

**2017**

**LB<sup>(1)</sup> 45**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Becky Fleming Date Prepared: <sup>(4)</sup> 1-11-2017 Phone: <sup>(5)</sup> (402) 479-4692

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

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

LB 45 changes the provisions relating to Military Honor Plates. This bill adds a Military Honor Plate for those in one of the reserve branches of the Armed Forces – United States Army Reserve, United States Navy Reserve, United States Marine Corp Reserve, United States Coast Guard Reserve and United States Air Force Reserve. This will change the number of design plates from 6 to 11 to accommodate for the reserve branches. The manufacturing cost of each plate is limited to an amount less than or equal to the amount charged for the license plate pursuant to section 60-3,102.

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>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____