

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

April 13, 1999 LB 556

plates had to be manufactured, the trust fund paid for the manufacture. Over the years, we've done bills that would help reduce that. The counties have become more efficient in not ordering too many plates, and it began to work out. However, cost of manufacturer raw materials escalated quicker than what the fee was, and so I've introduced bills in the past couple of years to address that shortfall. What happens is the Highway Trust Fund never gets reimbursed enough money and they're not...they don't ever get their money back that they loan for the manufacture of the plates. We took the Department of Motor Vehicles a few years ago, they became a cash-funded agency. Now what we don't want to have happen is that the Department of Motor Vehicles or the county makes money on the issuance of those plates, and so this bill comes into play to reimburse the Highway Trust Fund for the money they've expended. Well, that's really what the current law is; the trouble is there's always been a shortfall. There's never been enough of a fee and the payment for the stickers, and so the trust fund over the years...and I've passed out this yellow sheet to show you the loss in the trust fund since the mid eighties when this all began. We're now down actually below \$4 million that have been lost to the trust fund as a result of the fee not being high enough to cover. In the past, I've had a bill that would come in and raise the fee. The committee gave us some encouragement the other year, the last year in fact I was chair of the committee, that perhaps we should go through and have some system that the department can only recover the amount of the cost of those plates, and then that would get reimbursed back to the Highway Trust Fund. And so that's what LB 556 does. It sets the maximum of \$2.50. That's as high as it can go. But as a practical matter, as we go along and those fees are assessed, right now we're sitting at \$1.70. That fee, we've already lost this year of reimbursement because everybody got a new plate, got those new ugly plates that Senator Chambers and others don't like. We're going to have those plates for three more years, and so for a wide variety of people, we've already lost the money for this plate manufacturer. This bill would allow the department to determine a cost not to exceed the actual cost to the Highway Trust Fund to reimburse them, so that fee can go up to cover the cost of the plates and the sticker, not to exceed \$2.50. The Attorney General's Opinion report is an old one, seems to indicate that that's not an unlawful delegation as long