



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 299** HLS 11RS 871

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 16, 2011	1:15 PM	Author: CHAMPAGNE
Dept./Agy.: Motor Vehicles		
Subject: La. Seafood and Hospice Prestige Plates		Analyst: Evelyn McWilliams

MTR VEHICLE/LICEN PLATESEG SEE FISC NOTE SD RV See NotePage 1 of 1

Creates the La. Seafood prestige license plate

This bill creates two special prestige motor vehicle license plates known as the “Louisiana Seafood” plate and the “Hospice” plate, provided there is a minimum of 1,000 applicants for each such plates. The plates are restricted to passenger cars, pickup trucks, recreational vehicles, and vans. Proposed legislation provides for a \$25 royalty fee and a \$3.50 handling fee for each plate. The \$25 royalty fee for the “Louisiana Seafood” plate is to be deposited into the Louisiana Seafood Promotion and Marketing Fund. The \$25 royalty fee for the “Hospice” plate is to be forwarded to the American Cancer Society, Mid-South Division. The \$3.50 handling fee from both plates is to be retained by the department to offset administrative costs.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

To the extent that 1,000 applicants request each specialty plate, the agency indicates it will require one time funding of \$11,296 in either state general fund or self generated revenues in FY12 to provide for the creation of the “Louisiana Seafood” prestige license plate or the “Hospice” prestige license plate. The agency is requesting \$3,896 for overtime expenditures for computer programmers to make changes to its existing computer systems and \$7,400 in supplies to purchase 1,000 of each prestige license plate at a cost of \$3.70 per plate. The Legislative Fiscal Office (LFO) believes that any additional IT work associated with this legislation will be required on an incremental basis, and that the agency is likely capable of accomplishing these tasks with their existing resources and budget. However, to the extent that numerous pieces of legislation are enacted that require additional data processing effort, the agency may need additional resources to accomplish the work.

To the extent that numerous pieces of legislation are enacted that create new license plates, the Office of Motor Vehicles may need additional supply budget authority in FY 12 and in subsequent fiscal years. Although the OMV retains approximately \$3.50 per plate upon registration of specialty plates for administrative costs, Prison Enterprises actually charges OMV \$3.70 per plate. The FY 12 recommended budget contains \$1.4 M in supplies for all license plates (general, specialty, personalized, military).

REVENUE EXPLANATION

The agency is anticipated to collect at least \$7,000 self-generated revenue from the \$3.50 handling fee and \$50,000 from the initial royalty fee due to the creation of the “Louisiana Seafood” prestige license plate and the “Hospice” prestige license plate. The projection is based on the requirement that at least 1,000 applicants request each such plate before each plate is established. Each applicant requesting the plate is charged a \$3.50 handling fee that is retained by the department to offset administrative costs, and a \$25 royalty fee. The royalty fee from the “Louisiana Seafood” plate is deposited in the Louisiana Seafood Promotion and Marketing Fund. The royalty fee from the “Hospice” plate is forwarded to the American Cancer Society, Mid-South Division.

Senate	Dual Referral Rules	House	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	
		<input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Staff Director