

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 128** HLS 16RS 531

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

|  |                             |
|--|-----------------------------|
| <b>Date:</b> March 16, 2016 1:07 PM  | <b>Author:</b> BROWN, TERRY |
| <b>Dept./Agy.:</b> Public Safety/Office of Motor Vehicles                  | <b>Analyst:</b> Zachary Rau |
| <b>Subject:</b> Active Commissioned Police Officers Prestige License Plate |                             |

MTR VEHICLE/LICEN PLATES OR SEE FISC NOTE SG RV Page 1 of 1  
Adds requirements to qualify for a commissioned police officer special prestige license plate

Proposed law amends present law allowing commissioned police officers to apply for a special prestige license plate. Proposed law provides that only active commissioned police officers may apply for the special prestige license plate, and further provides that persons applying for the plate must provide proof of Peace Officer Standards and Training (POST) certification and an active commission within a law enforcement agency of at least two consecutive years to the Dept. of Public Safety & Corrections when applying for the special prestige license plate.

| <b>EXPENDITURES</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | SEE BELOW      | SEE BELOW      | SEE BELOW      | SEE BELOW      | SEE BELOW      |                      |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> |                |                |                |                |                |                      |

| <b>REVENUES</b>     | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| 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            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> |                |                |                |                |                |                      |

**EXPENDITURE EXPLANATION**

The proposed law may result in a nominal savings for the Office of Motor Vehicles (OMV). The proposed legislation amends existing provisions for prestige license plates for commissioned police officers, restricting potential applicants to only active commissioned police officers. Currently the \$3.70 cost of manufacturing a plate exceeds the \$3.50 administrative fee allowed to the department, with each plate manufactured resulting in a \$0.20 impact that must be absorbed within the department's existing budget authority. To the extent that the proposed law limits potential applicants for the commissioned police offer prestige license plate, the Office of Motor Vehicles may realize a nominal savings resulting from fewer persons being eligible to apply for the plate.

For reference, OMV has issued a total of 1,024 commissioned police officer prestige plates. The department has purged 228 of these plates from its records and estimates that a total of 796 are currently active.

**REVENUE EXPLANATION**

Proposed law may reduce self-generated revenues for the Office of Motor Vehicles as well as royalty fees for the LA Law Enforcement Officers Memorial to the extent amending the existing prestige license plate law restricts potential applicants to only active commissioned police officers.

Currently the Office of Motor Vehicles collects a \$3.50 handling fee for every plate sold. To the extent the proposed law limits applicants for the commissioned police officer plate, the department may realize a reduction in self-generated revenues. However, the \$3.50 fee is collected to offset the \$3.70 cost OMV incurs to manufacture the plate, so this loss of revenue will not adversely impact the department.

Present law currently generates \$39,800 biennially in royalty fees (\$25 per plate annually) with 796 plates currently issued and being used (royalty fees are collected every two years upon renewal). Royalties collected by the department are deposited into an escrow account and then forwarded to the board of directors of the LA Law Enforcement Officers Memorial. To the extent the proposed law limits applicants for the commissioned police officer plate and there are fewer applications for the plate, the LA Law Enforcement Officers Memorial may realize a reduction in royalty fees.

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|---|--|--------------|
| <u>Senate</u>   | <u>Dual Referral Rules</u>   | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal 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*  
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**Staff Director**