

Updated for the 2006 Session.

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2006-07</b>		<b>FY 2007-08</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	\$23,500	\$15,120	\$3,500	\$16,632
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$23,500</b>	<b>\$15,120</b>	<b>\$3,500</b>	<b>\$16,632</b>

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 288 provides for the issuance of child abuse prevention license plates. The plates may be numerical or message plates. Applicants for numerical plates pay an annual fee of \$30. Five dollars of the fee is credited to the Department of Motor Vehicles Cash Fund and \$25 is deposited in the Nebraska Child Abuse Prevention Fund. The annual fee for a child abuse prevention message plate is \$40, of which \$30 is deposited in the DMV Cash Fund and \$10 in the Child Abuse Prevention Fund. Proceeds deposited in the Child Abuse Prevention Fund from the sale of the plates are to be used to address child abuse and neglect. The bill requires that at least 500 individual applications and fees must be received within a two-year period prior to the production of the plate.

Applicants for plates also pay the regular per plate fee, which is capped at \$3.50 by current statute. The current plate fee is \$3.25. Regular plate fees are placed in the Highway Trust Fund (HTF). 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 will be credited to the HTF rather than the Child Abuse Prevention Fund. The bill has an assumed operative date of July 1, 2006.\*\*

Expenditures: The Department of Motor Vehicles (DMV) will have on-going annual expenditures of \$3,500 of cash funds for application forms and mailing costs for the new plates. There will also be one-time costs of \$20,000 in 2006-07 for computer programming to change the Vehicle Titling and Registration System and the license plate management system.

The Highway Trust Fund pays the manufacturing cost of license plates. DMV estimates the cost to manufacture a child abuse prevention plate will be \$3.63 per plate. Applicants are currently paying a regular plate fee of \$3.25 per plate to cover manufacturing costs. Assuming the minimum number of 500 individuals apply for plates during 2006-07, then the Highway Trust Fund will receive \$3,250 of revenue from regular plate fees. The estimated cost to produce 500 sets of plates is \$3,630. The estimated \$380 gap between revenue from the regular plate fee and cost to produce the specialized plates will be subtracted from the revenue placed in the Child Abuse Prevention Fund.

Revenues: Increased revenue from the \$30 annual fee for a numerical plate and \$40 annual fee for a message plate will be deposited in the DMV Cash Fund and Child Abuse Prevention Fund. Assuming 500 sets of plates are issued in 2006-07, and 90% are numerical plates, there will be an \$3,750 increase in revenue for the DMV Cash Fund and a \$11,750 increase in revenue for the Child Abuse Prevention Fund, less the offset for manufacturing costs. The fiscal note assumes 550 sets of plates are issued in 2007-08. If a person switches from a currently issued message plate to a child abuse prevention message plate, there will be a \$10 increase in revenue for the Child Abuse Prevention Fund. The revenue for the DMV Cash Fund will remain the same.

The bill also allows owners to apply to the county treasurer to transfer child abuse prevention plates from one owned vehicle to another. The application fee for the transfer is \$3. The fees are placed in the DMV Cash Fund. The number of transfers is unknown.

\*\*See DMV Technical Note