

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 130 (Delegate Curran)
Commerce and Government Matters

Vehicle Laws - Special Commemorative Registration Plates - Education

This bill authorizes the Motor Vehicle Administration (MVA) to issue a second commemorative license plate in addition to the current commemorative Chesapeake Bay plate. The bill includes education as a potential theme for a plate and specifies that the surplus moneys for each plate must go to a Maryland nonprofit organization closely related to the plate's theme.

Fiscal Summary

State Effect: Special fund revenues and expenditures could increase by equivalent amounts as discussed below.

Local Effect: None.

Small Business Effect: Potential meaningful revenue increase as discussed below. Expenditures would not be affected.

Fiscal Analysis

State Revenues: The level of interest that could be generated by a second commemorative plate cannot be reliably estimated at this time. Currently, there is a \$20 fee for Bay commemorative plates, from which the MVA retains \$8 for cost recovery. The remaining revenue is remitted to the Chesapeake Bay Trust (\$623,916 in fiscal 1996). It is assumed that the fee for the second plate would be set at a similar level, with the surplus distributed to another Maryland nonprofit organization. Thus, any excess revenue would not accrue to the State general or special funds.

State Expenditures: The MVA advises that \$35,950 in data processing expenditures would

be required to accommodate the addition of a second commemorative plate. Such costs would be recovered as discussed above.

Small Business Effect: The bill provides that the revenue collected, net of expenses, from the issuance of a new commemorative license plate must be disbursed to a nonprofit organization determined by the MVA. Thus, the revenue of nonprofit small businesses would increase if the MVA elected to disburse funds accordingly. The amount of revenue that would be disbursed is dependent on the number of commemorative plates sold.

Information Source(s): Department of Transportation (Motor Vehicle Administration),
Department of Fiscal Services

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