

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 488 (Senator Dyson)
Judicial Proceedings

**Vehicle Laws - Registration - Commemorative Plates for Supporters of
Dog and Cat Sterilization**

This bill requires the Motor Vehicle Administration (MVA) to issue a second commemorative license plate in addition to the current commemorative Chesapeake Bay plate. The new commemorative license plate is to enhance public awareness of the State's commitment to manage the population of dogs and cats through sterilization. In addition to the annual registration fee, the MVA is required to set a fee that will allow the MVA to recover its administrative costs and result in a surplus of at least \$12. The surplus funds are to be disbursed to each county, which in turn must distribute the funds to entities that humanely sterilize dogs and cats within the county.

Fiscal Summary

State Effect: Indeterminate increase in offsetting special fund revenues and expenditures as discussed below.

Local Effect: None, as discussed below.

Small Business Effect: Minimal effect on small businesses as discussed below.

Fiscal Analysis

State Effect: The level of interest that could be generated by this type of 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 the counties who in turn must distribute the money to entities that humanely sterilize dogs and

cats within that county. Thus, any excess revenue would not accrue to the State general or special funds.

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. The level of interest that could be generated by this type of commemorative plate cannot be reliably estimated at this time.

Local Effect: Because this bill requires the MVA to disburse revenue from this commemorative plate to each county monthly in a proportionate share equal to the percentage of the total number of registration plates issued to residents of that county, the local government revenues of certain counties may increase. The amount of the increase would depend on the number of plates issued to residents of each county. The county, in turn, must distribute the money to entities that humanely sterilize dogs and cats within that county or return the money to the MVA. It is assumed that the counties could handle the disbursement with existing resources.

Small Business Effect: The revenues of small businesses that provide dog and cat sterilization services could increase to the extent that they receive funds distributed by the MVA.

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

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