Department of Legislative Services

Maryland General Assembly

FISCAL NOTE

Senate Bill 457 (Senator Trotter. *et al.*)

Judicial Proceedings

Vehicle Laws - Martin Luther King, Jr. Commemorative License Plates

This bill requires the Motor Vehicle Administration (MVA) to issue a commemorative license plate to honor the life of Martin Luther King, Jr. In addition to the annual registration fee, the MVA is required to set a fee that will allow it to recover its costs for issuing and distributing the plates.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: None.

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 Chesapeake Bay commemorative plates, from which the MVA retains \$8 for cost recovery. It is assumed that the fee would be set at approximately \$8 in order for MVA to recover its costs for creating and distributing the plates.

The MVA advises that computer programming expenditures could increase by an estimated \$52,500 to modify the computer programs to include a format for the new plate. The Department of Legislative Services (DLS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DLS advises that the increased computer expenditure is simply an

estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources.

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

Fiscal Note History: First Reader - March 9, 1998

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