

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 90 (Senator Baker)

Judicial Proceedings

Vehicle Laws - Special Registration Plates - Honorably Discharged Veterans

This bill authorizes the Motor Vehicle Administration (MVA) to issue special registration plates to an individual who proves that he or she is an honorably discharged veteran of a branch of the armed forces of the United States. The plate must display words or an emblem that indicates that the holder of the plate is an honorably discharged veteran. In addition to the current registration fee, the MVA is required to set a fee that allows the MVA 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: There are approximately 525,000 honorably discharged veterans living in Maryland. Currently, the MVA has issued 4,007 special registration plates for various military accomplishments (e.g., Bronze Star and Purple Heart). The level of interest that could be generated by this new special registration plate cannot be reliably estimated at this time.

It is estimated that 1 MVA employee can confirm eligibility, exchange existing plates, and perform other various duties for 41,000 organizational plates annually. If the demand for the new plate reaches or exceeds that level, the MVA will need additional employees. However, as the initial demand subsides, the MVA would no longer need the added assistance and could perform ongoing duties with existing personnel. One temporary customer service representative would cost approximately \$29,000 annually. One set of the special registration plates, including materials, artwork, and postage would cost approximately \$10.

The MVA advises that computer programming expenditures could increase by an estimated \$52,200 to modify its computer programs for the new tag format. 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.

The MVA may set a fee that will allow it to recover its costs. Currently, the MVA charges \$25 for organization registration plates with logos, in addition to the annual vehicle registration fee.

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

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