

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 486 (Delegate Conwav. *et al.*)

Commerce and Government Matters

Vehicle Laws - Special Registration Plates - Honoring State Agriculture

The bill requires the Motor Vehicle Administration (MVA), in consultation with the Maryland Agriculture Education Foundation, Inc., to develop and make available a specially designed registration plate honoring Maryland agriculture. In addition to the annual registration fee, the MVA must set a one-time fee to recover its costs. Further, the MVA must set an additional fee that is paid at the time of initial registration and each time the registration is renewed. The additional fee is to benefit the Maryland Agricultural Education Foundation, Inc.

It is the intent of the General Assembly that the MVA work with the Maryland Agricultural Education Foundation, Inc. on the development of a special registration plate and make the plate available to the public at the earliest date practicable, but not later than July 1, 2001. The bill is effective July 1, 2000 and sunsets June 30, 2006.

Fiscal Summary

State Effect: Increase in offsetting Transportation Trust Fund revenues and expenditures.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The MVA is authorized to issue a single commemorative plate for a geographical, historical, environmental, or natural resource commemoration of statewide significance. The MVA is also authorized to issue special plates for members of certain organizations.

Background: The Maryland Agricultural Education Foundation, Inc. is a non-profit organization that promotes the education and appreciation of agriculture in the State. It was established in 1989 as a result of the Governor's Task Force on Agricultural Education. In fiscal 1999, the foundation received \$430,700 in revenues from donations, grants, and other sources.

State Effect: The level of interest that could be generated by this type of special plate cannot be reliably estimated at this time. Currently, there is a \$20 fee for the Chesapeake Bay commemorative plates, from which the MVA retains \$8 for cost recovery. The remaining revenue is remitted to the Chesapeake Bay Trust (approximately \$580,000 in fiscal 1999). It is assumed that the initial fee for the plate established by the bill would be set at a similar level so that the MVA could retain \$8 with the additional fee distributed to the Maryland Agricultural Education Foundation, Inc. The additional fee will be charged at each registration renewal to ensure a constant revenue source for the foundation.

The MVA advises that computer programming expenditures could increase by an estimated \$20,000 to modify the computer programs to recognize 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 that the MVA may be able to handle the changes with either less money than it estimates or with existing resources.

Additional Information

Prior Introductions: None.

Cross File: SB 281 (Senator Baker, *et al.*) - Judicial Proceedings.

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

Fiscal Note History: First Reader - February 7, 2000

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