

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 169 (Delegate W. Baker. *et al.*)

Commerce and Government Matters

**Motor Vehicle Administration - Chesapeake Bay Commemorative License Plate
Program - Extension**

This bill extends the Chesapeake Bay commemorative license plate program to July 1, 2002. The bill is effective June 1, 2000.

Fiscal Summary

State Effect: Chesapeake Bay Trust and Transportation Trust Fund (TTF) revenues and expenditures will continue until July 1, 2002. It is expected that the Chesapeake Bay Trust will receive approximately \$580,000 in FY 2001. The Governor's proposed FY 2001 budget includes \$189,300 in TTF expenditures for the commemorative plate program and assumes associated revenues of \$386,000.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Motor Vehicle Administration (MVA) is authorized to issue a single commemorative plate for a geographical, historical, environmental, or natural resource commemoration of statewide significance. The Chesapeake Bay Commemorative License Plate Program is due to sunset on July 1, 2000.

Background: The Chesapeake Bay Trust, created in 1985 by the General Assembly, is a nonprofit organization designed to encourage public awareness and participation in the restoration and protection of the bay. The trust distributes grants throughout the State primarily to schools, community associations, State, county, and municipal organizations. The trust is funded through direct donations from private citizens and businesses, donations from the tax checkoff on the Maryland income tax return, and sales of the commemorative Chesapeake Bay license plate.

The Chesapeake Bay plate was first issued in 1991 and to date is on over 600,000 vehicles. Proceeds from plate sales account for the largest source of revenue for the trust. The plates carry an initial fee of \$20, \$12 of which goes directly to the trust, while the remaining \$8 is retained by the MVA for cost recovery.

State Fiscal Effect: In fiscal 1999, the MVA issued about 48,300 Chesapeake Bay commemorative plates. Approximately \$580,000 was received by the Chesapeake Bay Trust from the program. The MVA retained revenues of approximately \$386,000, which was partially offset by production costs. The proposed fiscal 2001 budget includes \$189,330 in TTF expenditures for the commemorative plate program. Additionally, the fiscal 2001 allowance assumes TTF revenues based on the number of plates issued in fiscal 1999 (\$386,000). The Chesapeake Bay Trust and the MVA would maintain current annual levels of revenues and expenditures as a result of the bill.

Additional Information

Prior Introductions: The Chesapeake Bay Commemorative License Plate Program was last extended by Chapter 140 of 1998.

Cross File: SB 19 - (Senator Baker, *et al.*) - Judicial Proceedings.

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

Fiscal Note History: First Reader - January 26, 2000

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