

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 219 (Delegate C. Davis)

Commerce and Government Matters

Vehicle Laws - Special Registration Plate - Support for Transportation Trust Fund

This bill requires the Motor Vehicle Administration (MVA) to issue a special original or substitute license plate to benefit the Transportation Trust Fund (TTF). In addition to the current annual registration fee, the MVA is required to set a fee that will allow the MVA to recover its costs for issuing and distributing the plates and may result in a surplus. Any surplus funds are to be transferred to the TTF.

Fiscal Summary

State Effect: Minimal increases in Transportation Trust Fund (TTF) revenues and expenditures associated with the issuance of the new license plate.

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.

State Fiscal 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 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). Additionally, the MVA issued 10,817 organizational license plates in fiscal 1999. Such plates carry a \$25 fee for plates with logos and a \$15 fee for non-logo plates. Revenues associated with organizational plates were \$240,900 in fiscal 1999. There is no specific statutory requirement for cost recovery for organizational tags. It is assumed that the fee for the plate established by the bill would be set at a level similar to the organizational logo plate, with the surplus distributed to the TTF.

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: None.

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

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