

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

Revised

Senate Bill 120

(Senator Baker)

Judicial Proceedings

Commerce and Government Matters

**Vehicle Laws - Special Registration Plates for Motorcycles - Veterans and
Recipients of Combat-Related Medals**

This bill allows the Motor Vehicle Administration (MVA) to issue special registration plates for veterans and recipients of combat-related medals to owners or lessees of Class D (motorcycle) vehicles.

Fiscal Summary

State Effect: Minimal net increase in Transportation Trust Fund (TTF) revenues due to fee revenues that exceed the cost of producing the license plates authorized by the bill.

Local Effect: None. Surplus registration fee revenue from the sale of these special registration plates cannot be distributed to local governments.

Small Business Effect: None.

Analysis

Current Law: The owner or lessee of a Class A (passenger), Class E (truck) with one ton or less capacity, or Class M (multipurpose) vehicle can purchase special registration plates designated for honorably discharged veterans or recipients of an individually earned, combat-related, armed forces medal if eligible. The applicant must provide satisfactory proof of an honorable discharge from a branch of the armed forces or the receipt of a combat medal to qualify for the plates.

The MVA may charge an additional fee for the special registration to recover the costs associated with issuing the plate. The additional fee revenue cannot be credited to the Gasoline and Motor Vehicle Revenue Account, a shared revenue source that allocates 70% of registration fee revenue to the TTF and 30% to the local jurisdictions.

Background: The General Assembly created the commemorative license plate for veterans and those awarded medals for combat in 1991. In addition to the plate for honorably discharged veterans, the MVA issues 12 different plates for combat medal recipients that reflect the variety of medals awarded, such as the Congressional Medal of Honor, the Bronze Star, and the Vietnam Star. The MVA advises that 5,462 registration plates for veterans and medal recipients have been issued to date.

State Fiscal Effect: TTF revenues would increase by approximately \$2,500 in fiscal 2003 and \$1,250 in the following years. The MVA estimates that the bill would generate the sale of 100 additional plates in fiscal 2003 and 50 additional plates in following years. MVA charges a one-time \$25 fee for each plate.

TTF expenditures would increase by approximately \$1,150 in fiscal 2003 to design, manufacture, and mail additional registration plates, based on the fee charged by State Use Industries, which produces the plates. The MVA advises that the plate will require re-design, as motorcycle plates are smaller than those for other vehicle classes. Annual expenditures would be approximately \$200.

The MVA advises that it would need approximately \$50,000 in fiscal 2003 for temporary help, training, and webpage costs. The Department of Legislative Services advises that issuing 50 to 100 additional registration plates annually would neither require additional employees or training, nor would it require significant website work as the agency would only need to add the name of the vehicle class eligible for the plate. The impact is small enough that it could be absorbed within the agency's existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 22, 2002
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