# **Department of Legislative Services**

Maryland General Assembly 2008 Session

#### FISCAL AND POLICY NOTE

House Bill 708 (Delegate Costa, et al.)

**Environmental Matters** 

## Vehicle Laws - Gold Star License Plates - Fees and Eligibility

This bill creates a commemorative special registration plate available exclusively for the immediate family members of individuals who have died serving in the armed forces of the United States. The owner of a vehicle assigned this special registration plate is entitled to be admitted to any Maryland State park free of charge.

## **Fiscal Summary**

**State Effect:** Special fund revenues would decrease slightly beginning in FY 2009 due to revenue lost by providing free admittance to State parks for Gold Star registration plate holders. Transportation Trust Fund revenues would increase slightly due to the additional initial registration fee. TTF expenditures would increase slightly due to the cost of producing Gold Star registration plates.

**Local Effect:** None.

Small Business Effect: None.

# **Analysis**

**Bill Summary:** The bill requires the Motor Vehicle Administration to assign special registration numbers and create Gold Star special registration plates for the immediate family members of an individual who died from causes not dishonorable while serving on active duty in the armed forces of the United States. Immediate family members include a surviving spouse, parent, child, sibling, or grandparent.

To be eligible to receive a Gold Star special registration plate, an immediate family member must apply with MVA and submit satisfactory proof of identity and of the deceased individual's qualifying service, and submit the additional initial registration fee. The surviving spouse, or a parent if there is no surviving spouse, is exempt from paying this fee. The Gold Star registration plate may only be issued for a vehicle of one of the following classes: • a Class A (passenger) vehicle; • a Class E (truck) vehicle with a one ton or less manufacturer's rated capacity; • a Class M (multipurpose) vehicle; or • a Class D (motorcycle) vehicle.

The fee set by MVA may not exceed the level necessary to recover the costs incurred to implement the Gold Star special registration plate program. Proceeds from this fee may not be credited to the Gasoline and Motor Vehicle Revenue Account.

The owner of a vehicle that is assigned a Gold Star special registration plate is entitled to be admitted to any Maryland State park, forest, or recreation area free of charge.

**Current Law:** MVA issues special registration plates to commemorate various Maryland organizations and to honor military service. Special registration plates are available after submission of an application and fee by the owner or lessee of a qualified class of vehicle. The issuance of plates, collection of fees, and overall implementation of the program is governed by MVA regulations.

The Department of Natural Resources oversees the administration of every State-owned or leased park, forest, scenic preserve, natural area, parkway, historic monument, and recreation area. Free admittance to Maryland State parks is granted to qualifying youth groups when participating in the group's official activities under adult supervision.

**Background:** Twenty states, including Pennsylvania, Virginia, and Wisconsin, have begun issuing Gold Star registration plates to the family members of individuals who have died while serving in the armed forces of the United States.

**State Fiscal Effect:** Legislative Services advises that, because of several elements of uncertainty, a reliable estimate of the fiscal impact of this bill cannot be made. However, *for illustrative purposes only*, based on the following assumptions, special fund revenues could decrease by \$7,500 in fiscal 2009 due to a Maryland Park Service revenue loss of \$7,500 from admitting Gold Star registration plate holders free of charge; TTF revenues could increase by \$1,079 in fiscal 2009 due to the additional initial registration fee of \$25; and TTF expenditures could increase by \$356 in fiscal 2009.

• the number of applicants eligible for Gold Star plates issued in 2009 would be approximately one-third less than the number issued by Wisconsin in its first year of issuance – the population of Wisconsin is nearly identical to that of Maryland, HB 708 / Page 2

but it has experienced approximately one-third greater casualties of war since World War II;

- the fees collected from plates issued would be reduced by 50% to reflect the assumption that one-half of the applicants for a plate would be a spouse or parent eligible to have the plate fee waived in accordance with the bill;
- the number of plates issued would decrease steadily for the first several years before remaining constant at 25 plates issued annually beginning in 2012;
- the Department of Natural Resources estimates that an average of 2,500 visits would be made annually by the family members of a Gold Star registration plate holder and that each visit would ordinarily cost \$4.00; and
- the cost of producing a Gold Star plate and exchanging the recipient's existing plate is \$4.13 per transaction.

**Additional Comments:** From World War II to present, approximately 6,000 Marylanders have been casualties of war. Therefore, it should be noted that if each immediate family member of each of these casualties of war were to apply for a Gold Star registration, the fiscal impact would change dramatically. Additionally, it should be noted that the bill authorizes the issuance of Gold Star registration plates to any individual who died from causes not dishonorable while serving on active duty in the armed forces of the United States. Thus, the above estimates reflecting only casualties of war underestimate the total number of potentially eligible recipients for a Gold Star registration plate.

#### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Natural Resources, Department of Veterans Affairs, Maryland Department of Transportation, Department of Legislative Services

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