FISCAL IMPACT: ☒ State ☐ Local ☐ Statutory Public Entity ☐ Conditional ☐ No Fiscal Impact

Drafting Number: LLS 17-0812
Prime Sponsor(s): Rep. Exum; Michaelson Jenet
Sen. Gardner
Date: June 5, 2017
Bill Status: Signed into Law
Fiscal Analyst: Ryan Long (303-866-2066)

BILL TOPIC: ARMY SPECIAL FORCES LICENSE PLATE

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<tbody>
<tr>
<td>State Revenue</td>
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<tr>
<td>Highway Users Tax Fund</td>
<td></td>
<td>Minimal decrease.</td>
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<td>Cash Funds</td>
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<td>State Expenditures</td>
<td>Minimal workload increase.</td>
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<td>Appropriation Required: None.</td>
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<td>Future Year Impacts: None.</td>
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Summary of Legislation

This bill removes the "S" suffix from the qualifications for obtaining a U.S. Army Special Forces military special license plate.

Background and Assumptions

Under current law, a person who has received an honorable discharge or is an active or reserve member of the U.S. Army Special Forces may apply for the U.S. Army Special Forces special license plate. To qualify, a person must provide military orders or DD214 form that shows the person was awarded:

- a prefix "3";
- a suffix "S";
- a designation of "5G";
- 18/180 Series MOS;
- Special Forces tab;
- OSS; or
- UNPIK-8240.

In addition to the standard fees for plate and tab production, applicants for the Special Forces license plate are required to pay a $50 fee, of which $25 is credited to the Highway Users Tax Fund (HUTF) and $25 is credited to the License Plate Cash Fund (LSCF).
**Assumptions.** There are currently 552 U.S. Army Special Forces military license plates registered to vehicles, with an average of three new plates issued every month. As the qualification used to obtain the license plate is not currently recorded, the exact number of plates issued using an "S" suffix is unknown. The fiscal note assumes the number of license plates issued with the "S" suffix is minimal.

**State Revenue**

Beginning in FY 2017-18, the bill will minimally reduce state revenue. To the extent that removing the "S" suffix prevents people from obtaining this license plate, there will be a small revenue decrease to the HUTF and LSCF. The fiscal note assumes that anyone prevented from obtaining the Special Forces license plate will obtain a different license plate, and there will be no reduction to the standard fees for plate and tab production.

**State Expenditures**

*Department of Revenue.* There will be a minimal workload increase in the Department of Revenue to update materials and train employees, which can be accomplished within their existing appropriation.

**Local Government Impact**

To the extent that this bill reduces the number of Special Forces license plates issued, there will be a small decrease in HUTF revenue. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

**Effective Date**

The bill was signed into law by the Governor on April 4, 2017, and takes effect August 9, 2017, assuming no referendum petition is filed.

**State and Local Government Contacts**

- Corrections
- Information Technology
- Revenue
- Counties
- Military Affairs
- Transportation
- County Clerks
- Public Safety

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: www.leg.colorado.gov/fiscalnotes/