



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**FISCAL NOTE**

<b>Drafting Number:</b> LLS 18-0481	<b>Date:</b> January 18, 2018
<b>Prime Sponsors:</b> Rep. Danielson	<b>Bill Status:</b> House Transportation
	<b>Fiscal Analyst:</b> Ryan Long   303-866-2066 RyanC.Long@state.co.us

**Bill Topic:** HONOR THE SERVICE OF THE SEABEES

**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill creates the Seabees military license plate. Beginning in FY 2018-19, this bill will increase state revenue and expenditures and local government revenue, on an ongoing basis.

**Appropriation Summary:** In FY 2018-19, the bill requires an appropriation of \$1,918 to the Department of Revenue.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1**  
**State Fiscal Impacts Under HB 18-1016**

		FY 2018-19	FY 2019-20
<b>Revenue</b>	Cash Funds	\$1,918	\$243
	Highway Users Tax Fund	\$16,200	\$2,050
	<b>Total</b>	<b>\$18,118</b>	<b>\$2,293</b>
<b>Expenditure</b>	Cash Funds	\$1,918	\$243
	<b>Total</b>	<b>\$1,918</b>	<b>\$243</b>
<b>Transfers</b>		-	-

**Summary of Legislation**

This bill creates the Seabees military license plate. The license plate is available to honorably discharged, retired, reserve, or active members of the US naval construction battalion who submit the required forms and pay a one-time special plate fee of \$50.

**Assumptions**

Expected demand for this plate is based on the actual demand for the current US Army 10th Mountain Division military license plate, which has similar qualifications. The fiscal note assumes that 324 license plates will be issued in FY 2018-19, and 41 will be issued in FY 2019-20 and thereafter.

**State Revenue**

This bill will increase state cash fund revenue by \$18,118 in FY 2018-19 and \$2,293 in FY 2019-20 and in future years to the Department of Revenue from the License Plate Cash Fund (LPCF) and the Licensing Services Cash Fund and the Department of Transportation from the Highway Users Tax Fund. Table 2 outlines the revenue generated under this bill.

**Table 2  
Revenue Under HB 18-1016**

<b>Revenue Components</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
License Plate Sets Issued	324	41
Standard License Plate Revenue <i>License Plate Cash Fund (\$5.92 per plate)</i>	\$1,918	\$243
Special License Plate Revenue <i>Licensing Services Cash Fund (\$25 per plate)</i>	\$8,100	\$1,025
Special License Plate Revenue <i>Highway Users Tax Fund (\$25 per plate)</i>	\$8,100	\$1,025
<b>Total Revenue</b>	<b>\$18,118</b>	<b>\$2,293</b>

**Standard license plate fees.** Upon registration, all vehicle owners must pay a plate and tab production fee of \$5.92 for a passenger vehicle plate set and \$3.01 for a motorcycle plate set. This fiscal note assumes motorcycle plate issuance for the Seabees military license plate will be minimal. Fees from plate and tab production are credited to the LPCF.

**Special license plate fees.** Applicants for the Seabees military license plate are also required to pay an additional \$50 fee, of which \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the Licensing Services Cash Fund.

*HUTF distribution.* Of the \$25 in special license plate fees that goes to the HUTF, 65 percent is credited to the State Highway Fund for expenditure by the Colorado Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities. Table 3 outlines the estimated HUTF distributions generated under this bill.

**Table 3**  
**Estimated HUTF Distributions Under HB 18-1016**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>
State Highway Fund	\$10,530	\$1,332
Counties	\$4,212	\$533
Municipalities	\$1,458	\$185
<b>Total Distribution</b>	<b>\$16,200</b>	<b>\$2,050</b>

**State Expenditures**

State cash fund expenditures in the Department of Revenue will increase by \$1,918 in FY 2018-19, and by \$243 in FY 2019-20 and in future years. State expenditures are detailed in Table 4.

**Table 4**  
**Expenditures Under HB 18-1016**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>Department of Revenue</b>		
License Plate Sets Manufactured	324	41
Plate and Tab Production Cost - LPCF	\$1,918	\$243
<b>Total Cost</b>	<b>\$1,918</b>	<b>\$243</b>

**Department of Revenue.** In FY 2018-19, DOR will be required to update rules, forms, manuals, and the department's website to reflect the change in law. Additionally, the DOR will provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increases or costs associated with these activities can be accomplished within existing appropriations.

License plate and tab production costs of \$1,918 will be expended from the LPCF, and are equal to the revenue generated from standard license plate fees.

**Local Government**

This bill will increase county and local government HUTF revenue by an estimated \$5,670 in FY 2018-19 and \$718 in FY 2019-20 and thereafter, as shown above in Table 3. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

**Effective Date**

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

## State Appropriations

For FY 2018-19, the bill requires a cash fund appropriation of \$1,918 from the License Plate Cash Fund to the Department of Revenue.

## State and Local Government Contacts

Counties  
Information Technology  
Revenue

County Clerks  
Local Affairs  
Transportation

Corrections  
Public Safety