

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**INTERIM SUPPLEMENTAL REQUESTS
FOR FY 2016-17**

**DEPARTMENTS OF REVENUE
AND CORRECTIONS**

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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September 20, 2016**

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Prioritized Interim Supplemental Requests

INTERIM SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 LICENSE PLATE AND YEAR-TAB ORDERING

	Request	Recommendation
Total	<u>\$4,605,219</u>	<u>\$4,605,219</u>
FTE	0.0	0.0
General Fund	209,122	209,122
Cash Funds	4,396,097	4,396,097
Reappropriated Funds	0	0
Federal Funds	0	0

<p>Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.? [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.]</p>	YES
<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]</p>	YES
<p>JBC staff and the Department agree that (1) this request meets the interim supplemental criteria of Section 24-75-111, C.R.S., and (2) this request is the result of unforeseen contingency.</p>	

Department Request: The Department requests an increase of \$4.6 million total funds in FY 2016-17 to the Division of Motor Vehicles (DMV) License Plate Ordering line item to prevent the Department from depleting its existing stockpile of license plates and avoid relying on more costly “print-on-demand” plates. The request is primarily comprised of an increase in cash fund spending authority from the License Plate Cash Fund by \$4.4 million but also includes a General Fund appropriation of a little more than \$0.2 million. The General Fund appropriation is requested to account for the cost to produce plates for which the General Assembly has directed the DMV not to collect fees. This is a substantial increase in General Fund compared to base appropriation of \$6,673 .

Staff Recommendation: JBC Staff recommends the Committee approve the request.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves.

Staff Analysis:

The License Plate Ordering Line Item

The License Plate Ordering line item funds payments to Colorado Correctional Industries (CCi) for the direct costs of plates, decals, and placards required to serve the vehicle identification needs of Colorado residents. The line item is primarily funded by fees passed through the Department of Revenue to individuals registering vehicles.

Created in Section 42-3-301, C.R.S., the License Plate Cash Fund is the primary source of funding for the products purchased with the License Plate Ordering line item spending authority. The cash fund receives part of the vehicle registration fee, which statute directs is equal to the “direct costs of [providing] such plates, decals, or tabs.” The direct costs are calculated annually by the Colorado Correction Industries Advisory Committee (CCIAC). The CCIAC considers advice from the Governor’s Office of State Planning and Budgeting (OSPB) and the Department of Revenue when setting the direct cost rate.

Increased Demand for License Plates

The latest data included in the June Economic Forecast published by the OSPB shows that the population of Colorado has increased at an average rate of 1.7 percent since FY 2012-13. The most substantial growth in that period was reported in FY 2014-15, the year with the most recent finalized data at the time of writing, and totaled 1.9 percent.

Logically, population growth alone would suggest more vehicles were being registered in the state, however, the DMV saw the number of registered vehicles rise by 6.0 percent between FY 2013-14 and FY 2014-15. At the same time, the DMV observed both license plate issuance and year-tab issuance grow by 14.0 percent.

The Department contends that growth in demand for plates and tabs is the result of consumers replacing vehicles with new purchases, vehicle registrants changing plate types on their currently registered vehicle, and replacements for lost, stolen, or damaged plates and tabs. The Department forecasts a continued average 10.0 percent increase in the number of regular passenger plates year-over-year. JBC staff believes that the activities observed by the Department are the result of consumers’ finally being comfortable with their personal finances and making room in the household budget to purchase a vehicle after postponing such thing through the Great Recession.

While JBC staff did not analyze the model used by the Department to project license plate, tab, and placard issuances, the model does not utilize all data points that should be available. The primary reason for this is the legacy Colorado State Title and Registration System (CSTARS) does not have dedicated access to license plate inventories at each DMV location. Instead, this data is uploaded monthly. This lag should no longer occur once the DRIVES project replaces CSTARS and the Driver’s License System. The Department also does not include data that would identify trends in motor vehicle purchases.

While the Department may be overestimating its needs for products purchased from CCi, JBC staff still sees value in providing the Department with sufficient spending authority in the License Plate line item to meet the demands of the growing Colorado population.

Non-Fee Products

To further confound the need for increased funding, the General Assembly has increasingly directed the DMV not to collect fees on certain license plates, tabs, and placards¹. The General Assembly has only provided minimal ongoing General Fund appropriations to the License Plate Ordering line item for this purpose. The total volume of products for which the Department may not collect fees has increased at an average rate of 3.3 percent over the past five years. The Department assured JBC staff that it is requesting General Fund on all license plate bills that restrict its ability to collect a fee and yearly growth is provided in the table below. Detailed volume by product type is included in Attachment A.

	Volume of Plates Issued With No Fee Allowed						
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Total Issued	420,490	424,575	440,341	438,361	462,500	484,201	501,485
Percent Change		0.96%	3.58%	(0.45%)	5.22%	4.48%	3.45%
Revenue Avoided	\$161,074	\$157,626	\$164,814	\$165,483	\$181,912	\$202,091	\$209,122

To manage the structural deficit in the License Plate Cash Fund, the only other source of funding for this line item, the Department utilized its stockpiled inventory to satisfy the growth of demand since FY 2012-13. Toward the end of FY 2015-16 the Department shuffled license plates from offices that still had inventory to locations with higher demand. Moving plates from site to site has its own operational costs that could be avoided. The table below illustrates inventory changes throughout the state DMV system.

	Summary of License Plate Inventory Activity					
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 ^a	FY 2017-18 ^a
Beginning Inventory	1,031,690	882,629	605,625	449,525	113,745	113,745
Issued	997,006	1,031,427	1,121,558	1,181,457	1,535,894	1,996,662
Purchased	847,945	754,423	965,458	845,677	1,535,894	1,996,662
Ending Inventory	882,629	605,625	449,525	113,745	113,745	113,745
Change in Inventory	(149,061)	(277,004)	(156,100)	(335,780)	0	0

^a Department's projected license plate needs

The Department communicated that DMVs throughout the state historically maintained an inventory of standard passenger² vehicle license plates to satisfy about six months of demand. Maintaining an inventory of license plates is not required by any statute, but provides better customer service at a lower cost to the vehicle registrant than “print-on-demand” services.

¹ See Attachment A for a list of exempted products.

² Standard plates include those for passenger vehicles, light trucks, and trailers.

The inventory of license plates fell to 113,745 at the end of FY 2015-16, which is almost 10.0 percent of the FY 2011-12 ending inventory of 1,031,690. In fact, some counties do not have any license plate inventory and need to issue print-on-demand plates for every vehicle registrant. Building and managing the license plate inventory is a critical function of registering vehicles. JBC staff wants to ensure the Department has the flexibility in its appropriation to meet demand as it changes.

“Print-on-demand” is the service all but the most popular special license plates and most standard plates utilize. For example, when a vehicle registrant visits a DMV to register a special license plate, the DMV will issue a new temporary tag and place an order for the plate with CCI. Once the plate has been manufactured, CCI mails the plate directly to the individual who registered the vehicle.

Production Lead Times

The Department explains that it takes approximately five-and-a-half months from the time the DMV places an order with CCI to receipt of the delivery for license plates and tabs. An entire month of this time is built into the schedule to account for potential supply chain disruptions due to things like prison lockdowns. Therefore, even though the Department’s current estimate for running out of license plates is March 2017, it must request a new production run by October. Typically, the Department places orders for plates quarterly.

Again, statute (Section 42-3-301, C.R.S.) requires that CCI only charge the Department for the direct costs of producing the different products and directs the Department to include this exact amount as a portion of the fee included in the vehicle registration fee. This requirement acts as a moderate limit on the amount the Department of Revenue can spend purchasing these products. The General Assembly has provided no guidance to the DMV on its expectations for license plate, tab, and placard inventory and therefore management of that inventory is a programmatic decision for the Department.

Providing the Department with spending authority that exceeds a more conservative estimate for the growth in issuance than the Department’s estimate allows the Department to manage their inventory as they did before depleting the current inventory. This in turn reduces the number of people who need to wait two or more months to finally receive a permanent plate for a new vehicle because those who only require regular passenger plates will be able to leave the DMV with the plates on the same day.

On the next page you will find a summary of the Department’s calculations.

*JBC Staff Interim Supplemental Recommendations: FY 2016-17
Staff Working Document – Does Not Represent Committee Decision*

Summary of Department's Calculations					
	Items Purchased with FY 2015-16 Appropriation ^b	FY 2016-17 Projected Purchase Need	Additional Products Required to Satisfy Projected Demand	CCi Rate for Production	Total Additional Funding Requested
Regular Passenger Plates	845,677	1,299,603	453,926	\$3.78	\$1,715,840
Special Plates	19,178	275,565	256,387	5.64	1,446,023
Year-Tabs	7,860,812	8,489,677	628,865	0.17	106,907
Mounting Boards ^c	658,509	1,895,962	1,237,453	1.08	1,336,449
Total Amount Requested in 1331					\$4,605,219

^bOther than special bills, the base appropriation for the License Plate Ordering line item was not adjusted in the FY 2016-17 budget from the FY 2015-16 budget.

^cS.B. 15-090 only allowed the Department to purchase half of one year's mounting boards to begin FY 2016-17 with inventory. This was funded through a donation from the E-470 Toll Authority. The number provided in this table is double the amount actually purchased in FY 2015-16 to create a full-year baseline.

Non-prioritized Interim Supplemental Requests

NON-PRIORITIZED INTERIM SUPPLEMENTAL #1 LICENSE PLATE AND YEAR-TAB ORDERING

	Request	Recommendation
Total	<u>\$4,605,219</u>	<u>\$4,605,219</u>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Reappropriated Funds	4,605,219	4,605,219
Federal Funds	0	0

<p>Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.? [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.]</p>	YES
<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]</p>	YES
<p>JBC staff and the Department agree that (1) this request meets the interim supplemental criteria of Section 24-75-111, C.R.S., and (2) this request is the result of unforeseen contingency.</p>	

Department Request: The Department of Corrections requests an increase of \$4,605,219 reappropriated funds from the Department of Revenue to allow Colorado Correctional Industries (CCi) to produce additional license plates, tabs, placards, and mounting boards for the Department of Revenue.

Staff Recommendation: Consistent with the Staff Recommendation for the Department of Revenue, staff recommends the Committee approve the non-prioritized supplemental request for the Department of Revenue. Staff also recommends including in the letter to the State Controller the language proposed below:

It is the intent of the Committee that the piece rate paid to offenders for the production of license plates, tabs, and mounting boards not increase as a result of approving this supplemental budget request.

If the Committee approves the JBC staff recommendation, only one letter will be sent to the Controller.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves.

Staff Analysis: The majority of the factors driving this request are included in the analysis for the Department of Revenue's Prioritized Request.

JBC staff investigated whether current statute would allow the Department of Corrections, Colorado Correctional Industries (CCi) to reduce the piece rate paid to inmates producing items for the Department of Revenue because the higher volume requested would allow the inmates to earn more total income. The goal JBC staff was trying to accomplish through this was to subsidize the cost of producing items the Department of Revenue cannot collect fees for.

Ultimately, JBC staff for both Departments of Revenue and Corrections agreed that limiting language in the statute requires the Department of Revenue to purchase every plate from CCi even those items the DMV is directed not to collect fees for. Therefore, even if the Committee were to reduce the amount paid to inmates per item produced, then the amount the Department of Revenue can collect from each vehicle registrant is reduced by a like amount.

Finally, one of the goals that CCi has expressed is important to their success is pay equity between the industries run by CCi. JBC staff believes that even without including the proposed language in the letter to the Controller the Department would not adjust its rate. However, including this language in the letter allows the Committee to clearly express its intent that the fee charged to the Department of Revenue not change.

Attachment A: Statutorily Required Exemptions of Plates, Placards, and Year-Tabs

Unrecovered Material Fees (Statutory Exemption)			FY'10		FY'11		FY'12	
Plate/Product	C.R.S. Authorizing Exemption	Material Fee	Issued	\$ Unrecovered	Issued	\$ Unrecovered	Issued	\$ Unrecovered
Air Force Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	1	\$5.64	1	\$5.64
Air Force Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Air Force Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	2	\$5.64	0	\$0.00
Air Force Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	4,864	\$27,432.96	5,388	\$30,388.32	6,128	\$34,561.92
Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	139	\$391.98	159	\$448.38	192	\$541.44
Distinguished Flying Cross - Passenger	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Flying Cross - Passenger Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Flying Cross - Motorcycle	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Flying Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	2	\$11.28	2	\$11.28	3	\$16.92
Distinguished Service Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Handicap Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	895	\$5,047.80	965	\$5,442.60	1,160	\$6,542.40
Handicap Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	18	\$50.76	37	\$104.34	31	\$87.42
Medal of Honor - Passenger	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	1	\$5.64	0	\$0.00	1	\$5.64
Medal of Honor - Passenger Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	1	\$5.64	1	\$5.64
Navy Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Pearl Harbor - Passenger	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	7	\$39.48	7	\$39.48	11	\$62.04
Pearl Harbor - Passenger Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Pearl Harbor - Motorcycle	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	0	\$0.00	3	\$8.46	6	\$16.92
Pearl Harbor - Motorcycle Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Prisoner of War - Passenger	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	34	\$191.76	38	\$214.32	47	\$265.08
Prisoner of War - Passenger Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Prisoner of War - Motorcycle	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	23	\$64.86	22	\$62.04	17	\$47.94
Prisoner of War - Motorcycle Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Purple Heart - Passenger	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	932	\$5,256.48	1,019	\$5,747.16	1,139	\$6,423.96
Purple Heart - Passenger Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Purple Heart - Motorcycle	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	64	\$180.48	67	\$188.94	173	\$487.86
Purple Heart - Motorcycle Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Silver Star - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	36	\$203.04	35	\$197.40	46	\$259.44
Silver Star - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Silver Star - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	1	\$2.82	1	\$2.82	1	\$2.82
Silver Star - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.85	0	\$0.00	0	\$0.00	0	\$0.00
World War II - Passenger	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	98	\$552.72
World War II - Passenger Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
World War II - Motorcycle	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	3	\$8.46
World War II - Motorcycle Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Validation Tab - Year (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	7,016	\$1,192.72	7,747	\$1,316.99	9,058	\$1,539.86
Validation Tab - Month (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	7,016	\$771.76	7,747	\$852.17	9,058	\$996.38
Validation Tab - Year (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	22,797	\$3,875.49	24,714	\$4,201.38	26,704	\$4,539.68
Validation Tab - Month (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	22,797	\$2,507.67	24,714	\$2,718.54	26,704	\$2,937.44
Placard Three-Year - Person with Disability	42-3-204(4)	\$0.32	139,614	\$44,676.48	138,112	\$44,195.84	146,341	\$46,829.12
Placard Temporary - Person with Disability	42-3-204(4)	\$0.32	44,276	\$14,168.32	45,424	\$14,535.68	35,239	\$11,276.48
Validation Tab - Placard	42-3-204(4)	\$0.15	162,411	\$24,361.65	162,826	\$24,423.90	173,045	\$25,956.75
Undercover License Plates	N/A	\$4.06	7,547	\$30,640.82	5,544	\$22,508.64	5,134	\$20,844.04
Total			420,490	\$161,074.25	424,575	\$157,625.60	440,341	\$164,814.01
Year Over Year Growth Rate						0.97%		3.71%

Attachment A: Statutorily Required Exemptions of Plates, Placards, and Year-Tabs

Unrecovered Material Fees (Statutory Exemption)			FY'13		FY'14		FY'15	
Plate/Product	C.R.S. Authorizing Exemption	Material Fee	Issued	\$ Unrecovered	Issued	\$ Unrecovered	Issued	\$ Unrecovered
Air Force Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	3	\$16.51
Air Force Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Air Force Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Air Force Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	7,245	\$40,861.80	7,520	\$42,412.80	10,013	\$56,475.50
Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	205	\$578.10	190	\$535.80	237	\$669.26
Distinguished Flying Cross - Passenger	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	22	\$124.08	32	\$180.48	45	\$253.62
Distinguished Flying Cross - Passenger Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Flying Cross - Motorcycle	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	1	\$2.82	0	\$0.00	2	\$4.94
Distinguished Flying Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	4	\$22.56	1	\$5.64	5	\$26.75
Distinguished Service Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Distinguished Service Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Handicap Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	1,268	\$7,151.52	1,437	\$8,104.68	1,628	\$9,181.62
Handicap Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	51	\$143.82	25	\$70.50	48	\$135.01
Medal of Honor - Passenger	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Medal of Honor - Passenger Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Pearl Harbor - Passenger	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	13	\$73.32	7	\$39.48	5	\$30.86
Pearl Harbor - Passenger Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Pearl Harbor - Motorcycle	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	1	\$2.82	0	\$0.00	0	\$0.00
Pearl Harbor - Motorcycle Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Prisoner of War - Passenger	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	42	\$236.88	48	\$270.72	51	\$289.70
Prisoner of War - Passenger Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Prisoner of War - Motorcycle	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	25	\$70.50	29	\$81.78	28	\$77.85
Prisoner of War - Motorcycle Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Purple Heart - Passenger	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	1,228	\$6,925.92	1,072	\$6,046.08	1,306	\$7,365.84
Purple Heart - Passenger Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Purple Heart - Motorcycle	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	93	\$262.26	78	\$219.96	129	\$362.99
Purple Heart - Motorcycle Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Silver Star - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	50	\$282.00	45	\$253.80	45	\$254.74
Silver Star - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
Silver Star - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	1	\$2.82	1	\$2.82	1	\$3.01
Silver Star - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.85	0	\$0.00	0	\$0.00	0	\$0.00
World War II - Passenger	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	84	\$473.76	43	\$242.52	27	\$0.00
World War II - Passenger Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00	0	\$0.00
World War II - Motorcycle	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	1	\$2.82	0	\$0.00
World War II - Motorcycle Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00	0	\$0.00
Validation Tab - Year (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	10,333	\$1,756.61	10,529	\$1,789.93	13,529	\$2,299.90
Validation Tab - Month (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	10,333	\$1,136.63	10,529	\$1,158.19	13,529	\$1,488.17
Validation Tab - Year (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	27,678	\$4,705.26	29,719	\$5,052.23	8,511	\$1,446.91
Validation Tab - Month (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	27,678	\$3,044.58	29,719	\$3,269.09	8,511	\$936.24
Placard Three-Year - Person with Disability	42-3-204(4)	\$0.32	146,743	\$46,957.76	154,666	\$49,493.12	187,807	\$60,098.24
Placard Temporary - Person with Disability	42-3-204(4)	\$0.32	26,929	\$8,617.28	25,834	\$8,266.88	22,783	\$7,290.48
Validation Tab - Placard	42-3-204(4)	\$0.15	174,421	\$26,163.15	184,385	\$27,657.75	210,590	\$31,588.46
Undercover License Plates	N/A	\$4.06	3,913	\$15,886.78	6,590	\$26,755.40	5,368	\$21,794.08
Total			438,361	\$165,483.03	462,500	\$181,912.47	484,201	\$202,090.66
Year Over Year Growth Rate				-0.45%		5.51%		4.69%

Attachment A: Statutorily Required Exemptions of Plates, Placards, and Year-Tabs

Unrecovered Material Fees (Statutory Exemption)			FY'16		Total FY'10 - FY'16	
Plate/Product	C.R.S. Authorizing Exemption	Material Fee	Issued	\$ Unrecovered	Issued	\$ Unrecovered
Air Force Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	5	\$27.79
Air Force Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00
Air Force Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	2	\$5.64
Air Force Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00
Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	11,488	\$64,792.32	52,646	\$296,925.62
Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	413	\$1,164.66	1,535	\$4,329.62
Distinguished Flying Cross - Passenger	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	39	\$219.96	138	\$778.14
Distinguished Flying Cross - Passenger Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$5.64	0	\$0.00	0	\$0.00
Distinguished Flying Cross - Motorcycle	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	3	\$8.46	6	\$16.22
Distinguished Flying Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(I), 42-3-301(2)(b)	\$2.82	0	\$0.00	0	\$0.00
Distinguished Service Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	3	\$16.92	20	\$111.35
Distinguished Service Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00
Distinguished Service Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	1	\$2.82	1	\$2.82
Distinguished Service Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00
Handicap Disabled Veteran - Passenger	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$5.64	1,659	\$9,356.76	9,012	\$50,827.38
Handicap Disabled Veteran - Motorcycle	42-3-213(1)(b)(II)(B), 42-3-301(2)(b), 42-3-304(3)(a)	\$2.82	39	\$109.98	249	\$701.83
Medal of Honor - Passenger	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	1	\$5.64	3	\$16.92
Medal of Honor - Passenger Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$5.64	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00
Medal of Honor - Motorcycle Handicap	42-3-213(1)(b)(II)(C), 42-3-301(2)(b), 42-3-304(3)(f)	\$2.82	0	\$0.00	0	\$0.00
Navy Cross - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	2	\$11.28	4	\$22.56
Navy Cross - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00
Navy Cross - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00
Pearl Harbor - Passenger	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	4	\$22.56	54	\$307.22
Pearl Harbor - Passenger Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$5.64	0	\$0.00	0	\$0.00
Pearl Harbor - Motorcycle	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	0	\$0.00	10	\$28.20
Pearl Harbor - Motorcycle Handicap	42-3-213(1)(b)(II)(F), 42-3-301(2)(b), 42-3-304(3)(h)	\$2.82	0	\$0.00	0	\$0.00
Prisoner of War - Passenger	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	27	\$152.28	287	\$1,620.74
Prisoner of War - Passenger Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$5.64	1	\$5.64	1	\$5.64
Prisoner of War - Motorcycle	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	9	\$25.38	153	\$430.35
Prisoner of War - Motorcycle Handicap	42-3-213(1)(b)(II)(A), 42-3-301(2)(b), 42-3-304(3)(d)	\$2.82	0	\$0.00	0	\$0.00
Purple Heart - Passenger	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	1,337	\$7,540.68	8,033	\$45,306.12
Purple Heart - Passenger Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$5.64	6	\$33.84	6	\$33.84
Purple Heart - Motorcycle	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	75	\$211.50	679	\$1,913.99
Purple Heart - Motorcycle Handicap	42-3-213(1)(b)(II)(D), 42-3-301(2)(b), 42-3-304(3)(e)	\$2.82	0	\$0.00	0	\$0.00
Silver Star - Passenger	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	35	\$197.40	292	\$1,647.82
Silver Star - Passenger Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	0	\$0.00	0	\$0.00
Silver Star - Motorcycle	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	6	\$17.11
Silver Star - Motorcycle Handicap	42-3-213(1)(b)(II)(E), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.85	0	\$0.00	0	\$0.00
World War II - Passenger	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	23	\$129.72	275	\$1,398.72
World War II - Passenger Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$5.64	2	\$11.28	2	\$11.28
World War II - Motorcycle	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	4	\$11.28
World War II - Motorcycle Handicap	42-3-213(1)(b)(II)(G), 42-3-301(2)(b), 42-3-304(3)(g)	\$2.82	0	\$0.00	0	\$0.00
Validation Tab - Year (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	15,167	\$2,578.39	73,379	\$12,474.40
Validation Tab - Month (New Issued License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	15,167	\$1,668.37	73,379	\$8,071.67
Validation Tab - Year (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.17	38,901	\$6,613.17	179,024	\$30,434.12
Validation Tab - Month (Renewed License Plates)	See License Plate exemption C.R.S.'s above	\$0.11	38,901	\$4,279.11	179,024	\$19,692.67
Placard Three-Year - Person with Disability	42-3-204(4)	\$0.32	165,020	\$52,806.40	1,078,303	\$345,056.96
Placard Temporary - Person with Disability	42-3-204(4)	\$0.32	21,314	\$6,820.48	221,799	\$70,975.60
Validation Tab - Placard	42-3-204(4)	\$0.15	186,334	\$27,950.10	1,254,012	\$188,101.76
Undercover License Plates	N/A	\$4.06	5,514	\$22,386.84	39,610	\$160,816.60
Total			501,485	\$209,121.94	3,171,953	\$1,242,121.96
Year Over Year Growth Rate				3.57%		19%