



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Legislative Fiscal Note

Short Title: Special Registration Plates.
Bill Number: House Bill 449 (Second Edition)
Sponsor(s):

SUMMARY TABLE

FISCAL IMPACT OF H.B. 449, V.2 (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
State Impact					
Highway Fund Revenue	-	-	-	-	-
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highway Fund Impact	-	-	-	-	-
Special Fund Revenues	-	-	-	-	-
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Fund Impact	-	-	-	-	-

NET STATE IMPACT

Partial Estimate Available. See the Fiscal Analysis Section.

FISCAL IMPACT SUMMARY

A complete fiscal estimate for H.B. 449 is not available. Fiscal Research cannot estimate the number of proposed special plates that would be issued.

Section 1 amends G.S. 20-63(b1) adding a new subdivision titled “Keeping the Lights On.”

Section 2 amends G.S. 20-79.4(b) requiring the Division of Motor Vehicles to issue four additional special registration plates, each issuable to a registered owner of a motor vehicle in accordance with G.S. 20-81.12: (1) “ALS Research,” (2) “A Pet Is Family,” (3) “Keeping The Lights On,” (4) “Wrightsville Beach.” DMV may not issue a special registration place authorized in this subdivision until it receives at least 350 applications for the plate.

Section 3 amends G.S. 20-79.7 to add fees for the new special registration plates and denote the fee distribution. The ALS Research registration plate fee will be \$30; of the fee, \$10 will be deposited in the Special Registration Plate Account (SRPA) and \$20 will be deposited in the Collegiate and Cultural Attraction Plate Account (CCAPA). The A Pet Is Family registration plate fee will be \$15; of the fee, \$10 will be deposited in the SRPA and \$5 will be deposited in the CCAPA.

The Keeping The Lights On registration plate fee will be \$30; of the fee, \$10 will be deposited in the SRPA and \$20 will be deposited in the CCAPA. The Wrightsville Beach registration plate fee will be \$20; of the fee, \$10 will be deposited in the SRPA and \$10 will be deposited in the CCAPA.

Section 4 amends G.S. 20-81.12 to require DMV to transfer the proceeds deposited to the CCAPA for the ALS Research plate to The ALS Association of North Carolina Chapter quarterly. DMV is required to transfer the CCAPA proceeds for the A Pet Is Family plate to The Sergei Foundation, Inc. DMV is required to transfer the CCAPA proceeds for the Keeping The Lights On plate to the UNC Jaycee Burn Center quarterly. Finally, DMV is required to transfer the CCAPA proceeds for the Wrightsville Beach plate to the Town of Wrightsville Beach quarterly.

Section 5 authorizes the Revisor of Statutes to alphabetize, number, and renumber the special registration plates listed in G.S. 20-63(b1), 20-79.4(b), and 20-81.12.

Section 6 makes this bill effective March 1, 2020.

FISCAL ANALYSIS

This bill requires the production of a four new special plates. There is no estimate available on the number of propose special plates that would be issued.

Correction Enterprises incurs a one-time cost of \$100 to create a new special registration plate template. Plate production costs vary based on the plate design, mostly related to the number of colors required. For example, pricing for an aluminum plate with graphic sheeting featuring full background color is \$4.68 per plate. Assuming issuance of 500 plates per new special registration plate, production costs could total \$9,760 (500 plates x \$4.68 x 4 plate types, plus \$100 start-up cost x 4 plate types). Additional costs for mailing and issuance and annual registration (renewal stickers) are assumed to be negligible.

The fee for the ALS Research special registration plate is \$30.00. Assuming issuance of 500 plates, a total of \$15,000 of revenue would be generated. One-third of the revenue, or \$5,000, would be deposited in the SRPA, and the other two-thirds, or \$10,000, would be deposited in the CCAPA. The proceeds from the CCAPA would be transferred to The ALS Association of North Carolina on a quarterly basis.

The fee for the A Pet Is Family special registration plate is \$15.00. Assuming issuance of 500 plates, a total of \$7,500 of revenue would be generated. Two-thirds of the revenue, or \$5,000, would be deposited in the SRPA, and the other third, or \$2,500, would be deposited in the CCAPA. The proceeds from the CCAPA would be transferred to The Sergei Foundation, Inc. on a quarterly basis.

The fee for the Keeping The Lights On special registration plate is \$30.00. Assuming issuance of 500 plates, a total of \$15,000 of revenue would be generated. One-third of the revenue, or \$5,000, would be deposited in the SRPA, and the other two-thirds, or \$10,000, would be deposited in the CCAPA. The proceeds from the CCAPA would be transferred to the UNC Jaycee Burn Center a quarterly basis.



The fee for the Wrightsville Beach special registration plate is \$20.00. Assuming issuance of 500 plates, a total of \$10,000 of revenue would be generated. One-half of the revenue, or \$5,000, would be deposited in the SRPA, and the other half would be deposited in the CCAPA. The proceeds from the CCAPA would be transferred to the Town of Wrightsville Beach on a quarterly basis.

Any impact to DMV operations is assumed to be nominal and can be funded by its operating budget.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Division of Motor Vehicles

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

ESTIMATE PREPARED BY

Mary Greeson

ESTIMATE APPROVED BY

Mark Trogdon, Director of Fiscal Research
Fiscal Research Division
April 22, 2019



Signed copy located in the NCGA Principal Clerk's Offices