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FISCAL IMPACT REPORT

SPONSOR	Anderson	ORIGINAL DATE LAST UPDATED		160/aHTPWC
SHORT TITLE Child Adoption Av		vareness License Plates	SB	
			ANALYST	Earnest

<u>APPROPRIATION</u> (dollars in thousands)

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

	Recurring or Non-Rec	Fund Affected		
FY07	FY08	FY09		
	*\$0.1	*\$0.1	Recurring	Motor Vehicle Suspense Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Taxation and Revenue Department (TRD) Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of HTPWC Amendment

The HTPWC amendment changes the effective date of the bill to July 1, 2008. This change would allow TRD to make the necessary systems changes to implement the provisions of the bill.

Synopsis of Original Bill

House Bill 160 would authorize a new standardized special registration plate with an artwork logo promoting Child Adoption Awareness. The fee for the plate is \$10 in addition to regular registration fees. For registration renewals, only the regular registration fees would apply. Revenue from the \$10 fee would be retained by the Motor Vehicle Division (MVD) to offset the costs of producing the plates.

FISCAL IMPLICATIONS

*The Motor Vehicle Department (MVD) of TRD cannot precisely estimate the number of Child Adoption Awareness Registration special plates that may be requested. Approximately 25,000 special plates are currently issued under 22 different kinds. The most common are the veterans of various armed services (9,269 total) and collegiate plates (8,957 total), but several of the special plates have been issued in much smaller quantities.

SIGNIFICANT ISSUES

CYFD notes that production of this plate may produce competition for the existing CYFD "Child abuse and neglect prevention" plate. Proceeds from the sale of the existing CYFD plate are deposited into the Children's Trust Fund with the primary purpose of funding, coordinating, and developing child abuse and neglect prevention activities. The proposed plate does not distribute fees to the existing fund.

ADMINISTRATIVE IMPLICATIONS

According to TRD, since the implementation of several special registration plates over the past few years, the revenue accounting system of the Motor Vehicle Division has run out of revenue codes to implement additional special registration plates. All new special registration plates are assigned a revenue code and financial programming so the plate can be programmed into the system and the associated funds distributed appropriately. Without any revenue codes available, no additional special registration plates can be implemented into the existing system. In order to accommodate new special registration plates, a re-write of the revenue accounting system will need to occur. Without the necessary funding to accomplish a re-write, the TRD recommends a July 1, 2008, effective date for this and any other special registration plate proposals in order to complete the necessary system changes.

BE/sb:nt