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FISCAL IMPACT REPORT

SPONSOR Sanchez **ORIGINAL DATE** 2/01/19
LAST UPDATED 2/5/19 **HB** 358

SHORT TITLE Acequia & Community Ditch License Plates **SB** _____

ANALYST Chabot

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$.5	\$.5	Recurring	TRD/MVD Operating Fund
	\$2.0	\$2.0	Recurring	Acequia and Community Ditch Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$33.6			Nonrecurring	TRD/IT Operating Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 358 adds a new section to the Motor Vehicle Code providing a special Acequia and community ditch association registration plate.

FISCAL IMPLICATIONS

The plate will be available for a fee of \$30 in addition to the regular motor vehicle registration

fee. TRD keeps \$10 for administration and \$20 goes to the Acequia and Community Ditch Fund. TRD assumes 100 plates will be sold annually. As a result, TRD will receive \$460 and the Acequia and Community Ditch Fund \$2 thousand annually.

A simple calculation at \$10 per plate indicates TRD will actually receive \$1 thousand annually.

SIGNIFICANT ISSUES

The cost to design and implement a new plate is passed on to the requesting entity who is required to pay for an initial order of 100 plates. Total cost is \$600: \$100 to design and \$500 for the initial order of 100 plates.

ADMINISTRATIVE IMPLICATIONS

TRD assesses there will be minimal administrative impact for MVD requiring revising the policy manual and procedural requirements for processing. SHARE will need to be modified to account for the new fees and distributions. There will be a modest impact on the Information Technology Division to complete, test and implement changes at a cost of \$33,600 and approximately 12 weeks to complete.

RELATIONSHIP

HB 358 relates to HB167, HB209, HB 231, HB245, HB274, HB 306, HB 358, HB 381, SB 104, SB180, SB206, SB 225, SB 234, SBB236, SB 269, and SB273 which concern license plates.

GAC/sb/gb