



State Fiscal Note for Bill Number: 2013-H-5281

Date of State Budget Office Approval:

Date Requested: Wednesday, April 03, 2013

Date Due: Saturday, April 13, 2013

<i>Impact on Expenditures</i>	<i>Impact on Revenues</i>
FY 2013 \$0	FY 2013 \$0
FY 2014 \$23,742	FY 2014 \$22,500
FY 2015 \$0	FY 2015 \$0

Explanation by State Budget Office:

This act would make a set of special vehicle registration plates for an automobile or commercial vehicle having a gross weight of 10,000 pounds or less available to all licensed emergency medical technicians. The plates would be issued upon receipt of a payment of \$20.00 and a transfer payment of \$5.00. The special vehicle registration plates would not be ordered by the Registry of Motor Vehicles and issued to emergency medical technicians unless a minimum prepaid order size of at least 900 sets of plates is met.

Comments on Sources of Funds:

All revenue will be deposited in the general fund as general revenues.

Summary of Facts and Assumptions:

The Registry of Motor Vehicles estimates a one-time set-up cost, including computer programming, of \$18,000 for each new series of plates issued. It should be noted that the Chief Information Officer in the Department of Administration has strongly recommended that no changes be implemented to the current computer system at the DMV. The state is currently in the process of a major multimillion dollar upgrade to the DMV computer system and any changes could jeopardize the completion schedule of this project. The CIO is responsible for this project.

Correctional Industries estimates materials costs of \$6.38 per plate set for each nine hundred set of plates manufactured. Plate stock is unique for each design, and is produced by the vendor in rolls containing 900 pairs of plates. Leftover stock compared to nine hundred set orders increases idle costs in materials, so all estimates assume orders are backlogged until each lot of nine hundred sets is sold. Any odd lot sales with leftover stock would increase the estimates, but are not estimated herein. This assumes that the minimum number of sets required would be reached and that the bill would be effective beginning July 1, 2013. It is assumed 900 sets would be produced and issued in year one.

Summary of Fiscal Impact:

The first year production overhead cost is \$18,000. For each 900 sets sold, production costs are $900 \times \$6.38 = \$5,742$. This equates to total expenditures of \$23,742 for the first 900 sets of plates. The associated revenues would be $900 \times \$25 = \$22,500$.

The number of plates that will be issued is indeterminable. It is not anticipated that an additional 900 sets of plates would be needed in FY 2015, therefore no costs or revenues are assumed for that year.

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Tuesday, April 30, 2013

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Budget Office Signature:

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Fiscal Advisor Signature:

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