

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 27, 2021

Agency Submitting: Department of Motor Vehicles, Office of Project Management

Items of Revenue or Expense, or Both	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Effect on Future Biennia
Fee for Plate Original Issuance (Revenue)		\$85,418	\$113,890	\$227,780
Fee for Plate Renewals (Revenue)		\$403,680	\$652,130	\$1,304,260
Total	0	\$489,098	\$766,020	\$1,532,040

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 43-797/AB123 directs the Department to impose an additional fee of \$10 for the original issuance or renewal of the Vegas Golden Knights plate, in addition to all other applicable fees and taxes. These funds will be deposited with the State Treasurer for credit to the General Fund, and the proceeds from these fees will be distributed on a quarterly basis to the Vegas Golden Knights Foundation. This bill becomes effective on October 1, 2021.

An estimated 110 hours of in-house programming, to be absorbed by the Department, will be necessary to revise the existing fee tables and test the routing of additional fees collected. Estimated collections from plate issuance and renewal are based on Vegas Golden Knights (VGK) plates active totals for the end of FY 2020 and the difference of active plates between FY19 and FY2020. The most popular special plate, as of end of December 2020, has a count of 80,640. Counts for the VGK plates are projected to reach a threshold of 76,602.

While the Department does not anticipate a fiscal impact to implement the measure, the full impact cannot be determined until the agency calculates the cumulative total of all plate and associated legislation from the 2021 Session. The Department may request to return to the Interim Finance Committee in the 2021-23 biennium should the cumulative workload increases necessitate additional staffing.

Name Angela Smith-Lamb

Title Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency response appears reasonable.

Date Thursday, February 25, 2021

Name Jim Rodriguez

Title Executive Branch Budget Officer

BDR /Bill/ Amendment #: **43-797**

Agency Name: **Department of Motor Vehicles**

Division Name: **OPM**

Date: **2/16/2021**

Basis for Calculation:

(1) Original issuance projection based on difference between total active plates at the end of FY20 (42,435) and the end of FY19 (31,046) = 11,389; flat projections for original issuance each year.

FY21: 11,389 original issuance plus 42,435 renewals = 53,824

FY22: 11,389 original issuance plus 53,824 renewals = 65,213

FY23: 11,389 original issuance plus 65,213 renewals = 76,602

(2) FY22 original issuance revenue projected for 3/4 of a fiscal year based on 10/1/21 effective date of the bill.

(3) The most popular special plate, as of end of December 2020, has a count of 80,640. Counts for the VGK plates are projected to reach a threshold of 76,602. Original issuance projections of 11,389 per year remain with the assumption that active plate holders will drop off due to stitching plates or cancelling registrations.

(4) Renewal projection based on the amount of active plates at the end of FY20 (42,435) with original issuance projections added in for each year

(5) Original plate issuance fee is \$10

(6) Renewals fee is \$10

Summary of Totals				
Category	FY 20/21 (Based on FY20 Actuals)	FY 21/22	FY 22/23	Future Biennia (FY24 + FY25)
Revenue Estimate for Original Plate Issuance	\$ -	\$85,418	\$113,890	\$227,780
Revenue Estimate for Plate Renewals		\$403,680	\$652,130	\$1,304,260
Totals	\$ -	\$ 489,098	\$ 766,020	\$ 1,532,040