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Nonpartisan Services for Colorado's Legislature

HB 18-1361

FISCAL NOTE

Drafting Number: LLS 18-1199 Date: April 16, 2018
Prime Sponsors: Rep. Exum; Valdez; Sen. Williams A. Bill Status: House Transportation
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Bill Topic: ELIGIBILITY FOR VETERAN VIETNAM WAR LICENSE PLATE

- Summary of Fiscal Impact: State Revenue (minimal), State Expenditure (minimal), State Transfer, TABOR Refund (minimal), Local Government (minimal), Statutory Public Entity

This bill extends the date that an individual is eligible for a Vietnam Veteran military license plate two years, from January 27, 1973, to January 27, 1975. Beginning in FY 2018-19, it minimally increases state and local revenue and expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

This bill extends the service eligibility date for a Vietnam Veteran military license plate from January 27, 1973, to January 27, 1975.

Background

Under current law, applicants for the Vietnam Veteran military license plate must provide a DD214 form issued by the U.S. government, or other evidence sufficient to demonstrate that he or she is a veteran of the armed services who served in the Vietnam War between August 7, 1964, and January 27, 1973.

There are currently 8,375 Vietnam Veteran military license plates registered to vehicles in Colorado, with an average of 988 new plates issued annually.

State Revenue

Beginning in FY 2018-19, this bill may minimally increase cash fund revenue, as described below.

In addition to standard license plate fees, each applicant for a Vietnam Veteran military license plate must pay a special license plate fee of \$50, of which \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the Licensing Services Cash Fund. To the extent

that more people become eligible and apply for this license plate, cash fund revenue will increase from license plate fees.

Of the \$25 in military license plate fees that goes to the HUTF, 65 percent is credited to the State Highway fund for expenditure by the Colorado Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities.

TABOR Refund

This bill minimally increases state revenue from fees, which will increase the amount of money required to be refunded under TABOR for FY 2018-19 and FY 2019-20. Since the bill increases the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will decrease by an identical amount. State revenue subject to TABOR is not estimated for years beyond FY 2019-20.

State Expenditures

In FY 2018-19, expenditures related to license plate and tab production costs will increase to the extent that additional people become eligible and apply for the Vietnam Veteran military license plate. These costs are equal to the revenue generated from standard license plate fees.

The Department of Revenue will also be required to update rules, forms, manuals, and the department's website to reflect the change in law, as well as provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increases or costs associated with these activities can be accomplished within existing appropriations.

Local Government

This bill may minimally increase county and local government HUTF revenue. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Corrections
Information Technology
Revenue

Counties
Local Affairs
Transportation

County Clerks
Public Safety