



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 770

PRINTERS NO. 1536

PRIME SPONSOR: Adolph

COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
Motor License Fund	\$0	See "Fiscal Impact"

SUMMARY: Amends the Vehicle Code (Title 75) to create an Appalachian Trail Conservancy (ATC) special vehicle registration plate; and make several changes regarding personal registration plates. This legislation would take effect in 120 days.

ANALYSIS: This legislation amends the Vehicle Code to increase vehicle weight limits for holders of special registration plates, permit personalized organization registration plates, create an ATC special vehicle registration plate, and institute a fee for personalizing special organization registration plates.

Special Registration Plates: The legislation amends Section 1341 (related to special registration plates) to increase from 10,000 pounds to 14,000 pounds the registered gross weight of a vehicle eligible to be issued any personalized registration plate or any organization registration plate (whether personalized or not). The legislation adds motorcycles, trailers and motor homes to the types of vehicles eligible to be issued a personalized registration plate and adds motor homes to the types of vehicles eligible to be issued an organization registration plate.

Personal Organization Plates: This legislation establishes a new subsection (1341.1) to allow for the personalization of organization vehicle registration plates. The legislation establishes an additional fee of \$100 for the personalization of organization registration plates, which PennDOT shall collect, in addition to the one-time issuance fee of \$20 for personalized registration plates and the regular annual registration fee. For the personalization of a "person with disability plate" (under Section 1338), "severely disabled veteran plate," "disabled veteran plate," or "Prisoner of war plate," (under Section 1342) the additional fee for personalization shall be \$50, in addition to the other aforementioned fees.

Appalachian Trail Plate: The legislation establishes a new section (1352.1) to create an ATC organization plate. The new section mandates that the PennDOT shall design the plate in consultation with the ATC. At a minimum, the design shall include the ATC logo, an image of a hiker, and distinctive coloring. The ATC may charge a fee to an individual for the authorization

to request the registration plate, and that proceeds received by the ATC must be used exclusively for trail maintenance and improvement.

Administrative Fee Clarification: This legislation amends Section 1931 (relating to special registration plates) to clarify that the \$20 administrative fee charged by PennDOT applies to all special registration plates, not just personalized plates.

FISCAL IMPACT: According to PennDOT, this legislation would cost approximately \$143,500 to implement plus the individual production cost of each plate. Those costs are broken down as follows:

- Approximately \$23,000 to add the capability to the Vehicle Registration (VR) system to issue the new ATC plate
- Approximately \$23,000 to modify the VR system for the change in weights for applicable vehicles
- Approximately \$95,000 to modify the VR system to allow for the issuance of personalized Special Org tags
- Approximately \$2,000 to change forms, fact sheets, information modules, and the website
- Approximately \$500 for design work for the new ATC plate

Each ATC plate will cost approximately \$2 to \$5 to produce. This amount will vary based on the license plate sheeting and how much will need to be purchased in advance to produce the plates. In order to cover the full cost of production, sales of ATC plates will have to exceed 33 at a price of \$20 per plate assuming a production cost of \$5 per plate.

PennDOT indicates that any net new costs could be absorbed within PennDOT's base budget and would partially be offset by new revenues from the \$100 plate personalization fee plus new plate revenues from expanding the types of vehicles eligible and the increased weight limits. There is no way to estimate how many organization registration plates will be utilized and personalized by customers or the amount of new vehicles that will have plates personalized with the increased weight limits. In Fiscal Year 2011-12, there were 303 different organizational registration plates available for purchase with total sales of \$25,420, which equates to 1,271 plates sold. Of the Special Fund plates, PennDOT indicates that the "DARE", "Zoological", and "Honoring Our Veterans" plate could be personalized. Revenues from the DARE and Zoological plates totaled \$28,275 in Fiscal Year 2011-12, which equates to 808 plates sold. Assuming that 20% of the new, aforementioned plates were personalized annually, the new revenue from the additional fee would total \$41,580.

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House Appropriations Committee (R)

DATE: May 13, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.