



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1187

PRINTERS NO. 2210

PRIME SPONSOR: Argall

COST / (SAVINGS)

FUND	FY 2013/14	FY 2014/15
Motor License Fund	\$0	See "Fiscal Impact"
Game Fund	\$0	See "Fiscal Impact"
Historical Preservation Fund	\$0	See "Fiscal Impact"
Veteran's Trust Fund	\$0	See "Fiscal Impact"
Wild Resource Conservation Fund	\$0	See "Fiscal Impact"
Zoological Enhancement Fund	\$0	See "Fiscal Impact"

SUMMARY: Amends the Vehicle Code (Title 75) to create several special license plates; expands eligibility and weight classes for military and special plates; and provides for a price adjustment for organizational plates. The provision changing the price of the Appalachian Trail Organization Plate would take effect immediately. Provisions relating to the creation of the new special license plates would take effect in 120 days. The remaining provisions take effect in 60 days.

ANALYSIS: This legislation amends the Vehicle Code (Title 75) as follows:

Increased Vehicle Weights for Special Plates: The legislation changes the maximum vehicle weight in order to display any veteran or specialty license plate to 14,000 pounds from the current 10,000.

Vintage Registration Plates: This legislation adds 1976 to the years that vintage registration plates are accepted for use on antique vehicles.

Appalachian Trail Organization Registration Plates: The legislation clarifies that the Appalachian Trail plate is an organizational registration plate and carries a one-time fee of \$25.

Pennsylvania Monuments Registration Plate: This legislation creates a new "Pennsylvania Monuments" registration plate which carries a fee of \$54. The Veterans' Trust Fund shall receive \$23 of the fee. Proceeds shall be used exclusively to provide grants to nonprofit organizations for the cleaning, repair and restoration of Pennsylvania monuments by the Gettysburg National Military Park. The legislation stipulates that the plate shall have artwork depicting the Pennsylvania Memorial Monument at the Gettysburg National Military Park and shall display the words "Gettysburg 1863."

United States Olympic Plate: The legislation establishes a new Section 1354.1 to create a United States Olympic plate. PennDOT, in consultation with the United States Olympic Committee or its designees, shall design the special registration plate, which shall display the official United States Olympic Committee logo and wording, which indicates support for the advancement of excellence in amateur athletic competition in this Commonwealth. The United States Olympic Committee may charge a fee for the authorization to request the registration plate. The department shall issue the plate for a passenger car or truck of not more than 14,000 pounds or a motor home for a \$25 fee. The legislation also provides that it is the intent of the General Assembly that proceeds received by the United States Olympic Committee are to be used exclusively to provide funding to one or more nonprofit organizations, as defined under section 501(c)(3) of the Internal Revenue Code of 1986, in this Commonwealth that focus on the advancement of excellence in amateur athletics.

PA Hunting Heritage Plate: The legislation establishes a new Section 1355.1 to create a PA Hunting Heritage special vehicle registration plate. PennDOT, in consultation with the Pennsylvania Game Commission (PGC), is responsible for the design of the plate.

There is a one-time fee of \$25, in addition to a fee charged by the PGC to request the plate. Passenger cars, motor homes, trailers or trucks with a registered gross weight up to 14,000 pounds can display the plate.

The legislation also requires PGC to distribute proceeds from the sale of the Hunting Heritage plate as follows:

- 33% to Hunters Sharing the Harvest; and
- 67% shall be granted to nonprofit sportsmen's clubs and organizations to conduct activities that promote sport hunting, youth hunter education or the conservation and enhancement of game species in this Commonwealth for current and future generations of hunters.

Also, no nonprofit organization may use the funding for salaries or administrative expenses.

The PGC shall submit an estimate of the amounts to be expended to the Governor for approval.

U.S. Merchant Marine Plate: This legislation also amends Section 1357.1 by expanding the eligibility for the U.S. Merchant Marine special plate to individuals who served in the Korean War, the Vietnam Conflict or any of the Gulf Wars, including Operation Desert Storm, Operation Iraqi Freedom and Operation Desert Shield.

Combat Action Badge, Combat Infantryman Badge, Combat Action Ribbon, Combat Action Medal or Combat Medical Badge Plate: The legislation also creates a new Section 1369.1 to establish a new special plate for recipients of the Combat Action Badge, Combat Infantryman Badge, Combat Action Ribbon, Combat Action Medal or Combat Medical Badge. The fee for the plate is \$20, in addition to the annual registration fee. Passenger cars or trucks with a registered gross weight not exceeding 14,000 pounds are eligible to display the plate.

In God We Trust Registration Plate: The legislation also establishes a new “In God We Trust” registration plate to be issued upon request by PennDOT at a fee of \$20. Passenger cars or trucks with a registered gross weight not exceeding 14,000 pounds are eligible to display the plate.

Personal and Organization Registration Plates: The legislation establishes the difference between personal and organization plate fees in Section 1931. The price for a personal plate shall be \$76 and an organizational plate shall be \$25. Clarifying language provides that only one payment shall be charged for each organization registration plate issued or replaced in addition to the annual registration fee.

FISCAL IMPACT: According to PennDOT, the total cost to implement this legislation would be approximately \$60,000 plus a per plate production cost of \$4. All costs would be absorbed in PennDOT’s base budget. It is also probable that much of this cost would be offset by the sale of new plates and enhanced sales of existing plates due to increased vehicle weight limits. The costs are broken down below:

Combat Action Badge, Combat Infantryman Badge, Combat Action Ribbon, Combat Action Medal or Combat Medical Badge Plates: Designing these plates, updating forms and system costs are projected to cost \$20,500. The systems costs alone are estimated to be \$20,000.

Pennsylvania Hunting Heritage Plate, Pennsylvania Monuments Plate, United State Olympic Plate, and In God We Trust Plate: The total cost to create these plates is \$27,000. The design costs for these plates are \$2,000 or \$500 per plate. Systems costs are estimated to be approximately \$25,000. The costs for form revisions will be minimal.

Merchant Marines Plate Expansion: Updating the form necessary to obtain these expanded option plates would result in a minimal fiscal impact.

Increased Vehicle Weights for Special Plates: The systems costs to allow for an increase in the allowable gross vehicle weight rating up to 14,000 pounds is approximately \$12,500.

The legislation would also result in a minimal revenue loss to the Motor License Fund due to the reduction in price of organizational plates under section 1931. Effective July 1, 2014, the fee under section 1931 was to increase to \$76 for an organizational plate. According to PennDOT, there were approximately 1,271 organizational plates sold in FY 2012-13 which generated \$25,420. Assuming that 1,271 of these plates would be sold again in FY 2014-15, this decrease in price would result in the loss of \$64,821 in revenue to the Motor License Fund.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 26, 2014

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