



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 26

PRINTERS NO. 4146

PRIME SPONSOR: White

### COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
Motor License Fund	See "Fiscal Impact"	See "Fiscal Impact"
Veterans' Trust Fund	See "Fiscal Impact"	See "Fiscal Impact"
County Funds	See "Fiscal Impact"	See "Fiscal Impact"

**SUMMARY:** Provides for special organization license plates for motorcycles; several new license plates, special groups with more than 2,000 organization plates being able to charge a renewal fee; clarifications to the titling and registration exemptions for volunteer fire, rescue and ambulance association and the imposition of the fee for local use. This legislation would take effect in 120 days.

**ANALYSIS:** This legislation amends Title 75 (Vehicle Code) to allow PennDOT to issue special organization license plates for motorcycles; allows special groups with more than 2,000 organization plates to charge a renewal fee; creates several new license plates; makes clarifications to the titling and registration exemptions for volunteer fire, rescue and ambulance association and to the imposition of the fee for local use.

**Section 1** amends section 1340 (related to antique, classic and collectible plates) of the Vehicle Code to create the Historic Military Vehicle Plate. PennDOT may issue a special plate to the owner of a historic military vehicle which shall have the same force and effect as antique or classic registration plates. The applicant must provide information as required by PennDOT and a \$75 fee. Vehicles with a Historic Military Vehicle Plate cannot be used for daily transportation, and use is limited to participation in club activities, exhibits, tours, parades, occasional transportation and similar uses for no more than one day per week.

**Section 2** amends section 1341(c)(relating to special registration plates) of the Vehicle Code to authorize PennDOT to issue special organization registration plates for motorcycles. Additionally, PennDOT is required to use an initial or an abbreviation of the group name desired by the organization and approved by PennDOT. Special groups with more than 2,000 organization registration plates may charge a renewal fee for authorization to renew a registration plate bearing the name of the group. The imposition or collection of renewal fees is at the special group's discretion and does not require any PennDOT action.

**Section 3** creates section 1358.2 (related to distracted driving awareness plate) under Title 75 to create the Distracted Driving Awareness Plate. PennDOT must design the plate and, upon application, issue the plate for a motorcycle, passenger car, or truck with a registered gross weight of no more than 14,000 pounds, or a motor home. The fee for the plate is \$40 in addition to the registration fee. The fee shall be used exclusively to advance public education and outreach on the dangers of distracted driving. This plate will expire on December 31, 2025.

**Section 4** amends section 1364 (related to special plates for veterans) of Title 75 to create the Honoring Our Women Veterans Plate. Upon application, PennDOT shall issue the plate designating the vehicle as belonging to a person who is honoring women veterans of the armed forces of the United States. The plate may only be used on a passenger car or truck with a registered gross weight of not more than 14,000 pounds. The fee is \$35 in addition to the registration fee, and the Veterans' Trust Fund receives \$15 of the fee paid. The Veterans' Trust Fund must use the \$15 portion for programs and resources that assist women veterans.

**Section 5** creates section 1368.1 (related to special plates for recipients of Soldier's Medal) under Title 75 to create the Soldier's Medal Plate. Upon application of a recipient of the Soldier's Medal, accompanied by any documentation required by PennDOT, PennDOT shall issue the Soldier's Medal Plate designating the vehicle as belonging to a person who is a recipient of the Soldier's Medal. The plate may only be used on a passenger car or truck with a registered gross weight of not more than 14,000 pounds. The fee for the plate is \$20 in addition to the registration fee.

This section creates section 1368.2 (related to special plates for recipients of Presidential Service Badge) under Title 75 to create the Presidential Service Badge Plate. Upon application of a recipient of the Presidential Service Badge, accompanied by any documentation required by PennDOT, PennDOT shall issue the Presidential Service Badge Plate designating the vehicle as belonging to a recipient of the Presidential Service Badge. The plate may only be used on a passenger car or truck with a registered gross weight of not more than 14,000 pounds. The fee for the plate is \$20 in addition to the registration fee.

This section also establishes section 1369.3 (related to special plates for Veterans of an Ally Foreign Country) under Title 75. Upon application of a person who was a citizen of a foreign country that allied with the United States in a military conflict and served in a military branch of that foreign country during the military conflict, accompanied by any documentation required by PennDOT, PennDOT shall issue to the person a plate designating the vehicle as belonging to a person who is a veteran of a military branch of a foreign country that allied with the United States in a military conflict. The plate may only be used on a passenger car or truck with a registered gross weight of not more than 14,000 pounds. The fee for the plate is \$20 in addition to the registration fee.

**Section 6** amends section 1901 (related to exemptions of persons, entities and vehicles from fees) under Title 75. Vehicles registered by volunteer fire, rescue and ambulance associations are exempted from the title and registration fees under this section. PennDOT shall exempt a volunteer EMS company, volunteer Ambulance Service and nonprofit emergency medical services agency that is a nonprofit chartered corporation, association or organization located in the Commonwealth, that is license by the Department of Health. The exemption does not include a corporation, association, or organization that is primarily engaged in the operation of invalid coaches that are intended for the routine transport of persons who are convalescent or otherwise nonambulatory and do not ordinarily require emergency medical treatment while in transit. This section also amends section 1935 (related to fee for local use) of Title 75 to clarify that the \$5 fee for local use is an annual fee.

**Section 7** establishes that the change to section 1935 (related to the fee or local use) only applies to registrations issued or renewed on or after the effective date of this section.

**FISCAL IMPACT:** PennDOT estimates that it will cost \$25,000 to design each special vehicle registration plate and make the necessary computer system changes. A portion, if not all, of these costs can be offset by the sale of special vehicle registration plates. Any remaining costs could be absorbed within PennDOT's currently allocated funding.

According to PennDOT, the Motor License Fund will see a revenue loss of approximately \$84,000 to exempt certain volunteer EMS companies, volunteer ambulance services and nonprofit emergency medical services agencies, based upon a one-time title fee and annual \$10 processing fees.

Under Act 89 of 2013, counties were given the opportunity to levy a \$5 vehicle registration fee that would remain with the counties for road and bridge projects. Act 89 also allowed vehicles to be registered within the Commonwealth for a two-year period. However, counties were not given that two-year revenue option, therefore counties have been losing out on this registration revenue when a vehicle is registered with the Commonwealth for two years. This initial loss of revenue varies from county to county, so this legislation would provide counties with additional revenue assuming a similar level of biennial registrations. Data provided by Montgomery County indicated a projected 30% loss of revenue for 2018, or approximately \$1 million.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** October 17, 2018

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