

FISCAL NOTE
Requested by Legislative Council
02/13/2009

Amendment to: Engrossed
SB 2385

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$4,225,000		\$0
Expenditures				\$5,847,000		\$0
Appropriations				\$4,397,000		\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill creates a new ND license plate to be issued as a general issue and replacement for all current ND plates.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Two production methods exist (Rough Rider industries estimate):
Conventional Embossed Plate cost \$4,000,000 – used in this fiscal note
Digital Flat Plate cost \$4,900,000

Other production costs, to include temporary staff, warehouse, freight, mailing and registration tab printing is the same for both plate production methods: \$1,847,000

The costs associated with this general plate issuance would be paid from the motor vehicle operating budget. As such, the funding for this would come "off the top" of the revenues to the Highway Tax Distribution Fund (HTDF). The amended bill provides for a revenue source of \$5.00 per registration to offset the cost of the issuance.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Under the amended bill, revenues will equate to \$5.00 per registration for all registrations that receive a plate. This excludes snowmobiles and ATV's. Based on this, there are approximately 845,000 vehicles/trailers that will need a new plate(s). A charge of \$5.00 per registration will generate \$4,225,000 in revenue to off-set the cost of the general issue.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures include production of currently utilized embossed plates \$4,000,000 (for flat plate digital plates add \$900,000), as well as the cost for temporary staff - \$126,000; warehouse/freight - \$85,000; mail - \$875,000; and registration tabs - \$761,000; for a total expenditure of \$5,847,000.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency*

and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.

Appropriations for the project are the expenditures (\$5,847,000) minus the current budget for sustaining the plate issue process (\$1,450,000), for a total appropriation of \$4,397,000.

Name:	Glenn Jackson	Agency:	NDDOT
Phone Number:	328-4792	Date Prepared:	02/13/2009