

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6592
BILL NUMBER: HB 1121

DATE PREPARED: Dec 7, 2000
BILL AMENDED:

SUBJECT: Animal Friendly Trust License Plates.

FISCAL ANALYST: James Sperlik
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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Bureau of Motor Vehicles (BMV) to issue an Indiana Animal Friendly Trust license plate. It requires the additional fee required for the Indiana Animal Friendly Trust license plate to be ultimately deposited in the township dog fund in the township in which the vehicle is registered. The bill permits a county legislative body to designate by ordinance a humane society to receive the additional fee, to be used for spaying and neutering services, either at reduced or no cost to the public. It makes conforming amendments.

Effective Date: January 1, 2003.

Explanation of State Expenditures: Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, submits charges to the BMV based on the number of colors in the design as shown in the schedule below:

<u>Colors</u>	<u>Set-Up Charge</u>	<u>Price Per Plate</u>
1	\$105	\$3.90
2	\$170	\$4.00
3	\$235	\$4.10
4	\$300	\$4.30
5	\$365	\$4.60
6	\$430	\$5.00

These prices are effective for the 2001-2003 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45-per-hour charge. Origination fees include the film positives and the silk screen charges. When the art work is provided by the customer, the set-up fee is \$17.50.

The fund affected for PEN Products is PEN Products Revolving Fund. There will be computer and accounting changes for the BMV. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV.

The Commissioner of the BMV is to administer the newly created Indiana Animal Friendly Trust Fund. Expenses of administering the fund shall be paid from money in the fund. Money in the fund at the end of a state fiscal year does not revert to the state General Fund.

Explanation of State Revenues: Potential revenue from the sales of the newly created Indiana Animal Friendly Trust license plate is not known. The bill provides for a \$25 annual fee for the newly created Trust plate. Based on the 1999 sales of special recognition license plates, revenue resulting from the \$25 annual fee could range from \$925 to \$1,906,600. This money would be deposited into the newly created Trust Fund.

There also is an administrative fee of \$12 for special recognition license plates. The \$12 fee is distributed with \$6 going to the Bureau of Motor Vehicles Commission, \$5 going to the Motor Vehicle Highway Account, and \$1 going to the Crossroads 2000 program for highway bonding and construction. Revenue from this fee is not known. However, based on the 1999 sales of special recognition license plates, total revenue from the \$12 fee could range from \$444 to \$915,168.

It should be noted that it is possible that sales of these new special plates could, to some extent, supplant the sales of the other special plates.

Explanation of Local Expenditures:

Explanation of Local Revenues: On June 30 of each year, the Commissioner of the BMV shall distribute the money in the Indiana Animal Friendly Trust Fund to township trustees based on the registration of the vehicles. The funds are to be placed in the township dog fund for use in one of the following ways: 1) reimbursement to livestock owners and for hydrophobia treatments; or 2) by county ordinance to a humane society.

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (PEN Products).

Local Agencies Affected: Counties; Townships.

Information Sources: Becky Gillam, Sales and Marketing Director of PEN Products, 387-2020; Bureau of Motor Vehicles license plate data for 1999.