

**FISCAL IMPACT REPORT**  
2nd Session of the 51<sup>st</sup> Legislature

**Bill No.:** HB 3326  
**Version:** Proposed Committee Substitute  
**Author:** Representative Miller  
**Date:** March 4, 2008  
**Analyst:** Diane Thomas

**Impact:** FY09: Increase in Motor Vehicle Collections of \$2.1 million  
FY10: Increase in Motor Vehicle Collections of \$100,000

**Long Term: Potential Future Decrease**

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## Summary

PCS for HB 3326:

- directs the reissuance (beginning January 1, 2009) of redesigned vehicle license plates,
- provides the license plates are those approved by the Oklahoma License Plate Design Task Force,
- allocates \$3 million of the Tax Commission's (OTC) FY09 and FY10 vehicle registration revenue for administrative costs of the reissuance,
- authorizes OTC to establish rules necessary to implement the reissuance, and
- authorizes the Department of Public Safety to request subsequent reissues of license plates every 7 years.

## Analysis

OTC anticipates an increase of \$2.2 million in FY09 and \$100,000 in FY10 as follows:

- an estimated cost of \$6 million (3,100,000 newly designed license plates at a cost of \$1.95 each,
- producing an estimated revenue collection of \$6.2 million (one-half in FY09 and one-half in FY10),
- an additional \$2.1 million in revenue from a fee of \$15 to reserve a license plate number.

## Long Term Considerations

PCS for HB 3326 directs OTC to reissue license plates every 7 years upon the request of the Department of Public Safety. The measure does not specify how OTC will be reimbursed for the costs of future license-plate reissuances. Currently the cost of reissuance is \$6 million and it is anticipated the cost will increase in the future. Since there has been no reissuance for 30 years, OTC has estimated a reissuance at this time, will increase revenue to pay for the cost of this reissuance. Subsequent reissuances may or may not pay for the cost of reissuance.