

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

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**FISCAL IMPACT STATEMENT**

**LS 7042**  
**BILL NUMBER: SB 343**

**DATE PREPARED:** Jan 31, 2000  
**BILL AMENDED:** Jan 31, 2000

**SUBJECT:** Veterans license plates.

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

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires the Bureau of Motor Vehicles (BMV) to design and issue a special group recognition license plate to honor Indiana Vietnam era veterans. It specifies that an individual who served in the United States armed forces any time from January 1, 1959, until May 17, 1975, may receive a Vietnam era veteran license plate upon paying the prescribed fees.

The bill requires the BMV to design and issue a license plate to honor veterans who have received the Silver Star medal. The bill specifies that an individual who has received a Silver Star medal may receive a Silver Star license plate. It requires the BMV to design and issue a special group recognition license plate to honor Indiana Korean era veterans. The bill specifies that an individual who served in the United States armed forces any time from June 27, 1950, until June 31, 1955, may receive a Korean era veteran license plate upon paying the prescribed fees. It allows an individual who is eligible to receive a Vietnam era, Silver Star, or Korean era license plate to receive a personalized license plate. The bill exempts Vietnam era, Silver Star, and Korean era license plates from minimum sales requirements.

It requires the BMV to issue an Indiana Child Protection Trust License Plate. The bill requires the additional fee required for the Indiana Child Protection Trust License Plate to be deposited in the Indiana Child Protection Trust Fund and distributed to an organization established to raise funds for child adoption agencies, crisis pregnancy centers, or any other charitable organization approved by the organization established to raise funds for the above organizations.

The bill creates a Huntington College Trust Special Group Recognition License Plate.

It creates an Ancilla College Trust Special Group Recognition License Plate. The bill creates an Indiana Boys and Girls Club Trust Special Group Recognition License Plate.

The bill creates the Valparaiso University Trust License Plate.

**Effective Date:** (Amended) January 1, 2001; January 1, 2002.

**Explanation of State Expenditures:** (Revised) Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, would charge the BMV \$2.60 per plate if the newly created plate is not a special recognition plate. If the newly created license plate is a special recognition plate, PEN Products' charge would be 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>	<u>Price Per Plate if Personalized</u>
1	\$105	\$3.90	\$4.40
2	\$170	\$4.00	\$4.50
3	\$235	\$4.10	\$4.60
4	\$300	\$4.30	\$4.80
5	\$365	\$4.60	\$5.10
6	\$430	\$5.00	\$5.50

These prices are effective for the 1999-2001 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 \$70 per hour charge. Origination Fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will computer and accounting changes for the BMV.

A license plate is designated as a special recognition license plate if: (1) a special group recognition plate is required by statute; (2) a special group recognition license plate is requested by resolution of the General Assembly; or (3) representatives of a special group petition the Bureau of Motor Vehicles. If the plate is not designated as a special recognition plate, the above costs will not apply. The cost will be \$2.60 per plate. The reason for the price differential is that general issue plate sheeting is used for the non-special recognition plates.

In this proposal, the Vietnam Era Veteran License Plate and the Korean Era Veteran License Plate are special recognition plates. The Silver Star License Plate is not a special recognition plate. The proposal also provides that the these three newly created license plates may be personalized license plates.

The Commissioner of the BMV is to administer the newly created Indiana Child Protection Trust Fund, the Huntington College Trust Fund, the Ancilla College Trust Fund, Indiana Boys and Girls Club Trust Fund and the Valparaiso University Trust Fund. Expenses of administering these funds shall be paid from money in the respective funds. Money in the funds at the end of a state fiscal year does not revert to the State General Fund.

On June 30 of each year, the Commissioner shall distribute the money in the Indiana Child Protection Trust Fund to Crisis Pregnancy Centers, Child adoption agencies, or other approved organizations. The organizations receiving money from the sale of the newly created license plates may retain the reasonable costs of administering the program. Money in the Huntington College Trust Fund is to be distributed to Huntington College. Funds in the Ancilla College Trust Fund go to Ancilla College. The Commissioner shall distribute money in the Indiana Boys and Girls Club Trust Fund to organizations in Indiana that exist for the purpose of raising funds on behalf of all the Boys and Girls Clubs that are located entirely or partially within

Indiana. Money in the Valparaiso University Trust Fund is to be distributed to Valparaiso University.

**Explanation of State Revenues:** (Revised) It should be noted that it is possible that sales of this special plates could, to some extent, supplant the sales of the other special plates.

Potential revenue from the sales of the newly created Indiana Child Protection Trust license plate, the Huntington College Trust license plate, the Ancilla College Trust license plate, the Indiana Boys Club and Girls Club Trust license plates, and the Valparaiso University Trust license plates is not known. The bill also provides for a \$25 annual fee for the newly created Trust plates. Revenue resulting from the \$25 annual fee could range from \$1,175 to \$1,999,925. This money would be deposited into the respective and newly created Trust Funds established.

The trust funds are as follows: 1) Indiana Child Protection Trust Fund; 2) Huntington College Trust Fund; 3) Ancilla College Trust Fund; 4) Indiana Boys and Girls Club Trust Fund; and 5) Valparaiso University Trust Fund.

The proposal also exempts the Indiana Vietnam era veteran license plate, Silver Star license plate, the Korean era veteran license plates from the minimum sales requirements of 2,000 per special group. This will allow for the continued sales of these plates which may otherwise have been terminated because of the failure to meet the minimum sales requirements.

These newly created license plates will be available after December 31, 2000.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

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

**Local Agencies Affected:**

**Information Sources:** Becky Gillam, Sales and Marketing Director of PEN Products, 387-2020; Bureau of Motor Vehicles license plate data for 1998.