

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 55 (Third Edition)

SHORT TITLE: Purple Heart/ Silver Star Plates

SPONSOR(S): Representative Warner

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
REVENUES					
Highway Fund - Special Registration Plate Account					
1)End Purple Heart Fee	(\$27,370)	(\$27,370)	(\$27,370)	(\$27,370)	(\$27,370)
2)Add Silver Star Fee	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
Net Change	(\$24,870)	(\$24,870)	(\$24,870)	(\$24,870)	(\$24,870)
EXPENDITURES					
Highway Fund					
1)Highway Beautification	(13,685)	(13,685)	(13,685)	(13,685)	(13,685)
2)Special Registration Plate Account	712.5				
General Fund					
1)Dept. of Commerce	(9,032)	(9,032)	(9,032)	(9,032)	(9,032)
2)Dept. of Human Resources	<u>(4,653)</u>	<u>(4,653)</u>	<u>(4,653)</u>	<u>(4,653)</u>	<u>(4,653)</u>
G.F. net change	(\$13,685)	(\$13,685)	(\$13,685)	(\$13,685)	(\$13,685)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation - Division of Motor Vehicles, Department of Commerce, Department of Human Resources					
EFFECTIVE DATE: The act is effective upon ratification.					

BILL SUMMARY: Section one of the bill exempts owners of Purple Heart Award registration plates from paying the \$10 special registration plate fee. The bill also allows the

surviving spouse of a person who had a Purple Heart plate at the time of death to renew the plate until he or she remarries. Section two of the bill adds a new special plate for recipients of the military honor the Silver Star.

ASSUMPTIONS AND METHODOLOGY: As of March 1997, there were 2,737 owners of Purple Heart plates. At \$10 a plate, exempting this group will reduce the Special Registration Plate Account by \$27,370. The Special Registration Plate Account is used to administer the special plates program at DMV. Funds not used for administration are distributed as follows:

- 33% Department of Commerce - for promotion of travel and industrial development
- 50% Department of Transportation - for highway beautification
- 17% Department of Human Resources - for promotion of travel accessibility for disabled persons

A \$27,370 reduction in the Special Registration Plate Account will reduce the amount transferred to the three agencies as follows:

Department of Commerce	\$ 9,032
Department of Transportation	13,685
Department of Human Resources	4,653

As for renewing Purple Heart plates for surviving spouses, there is no way to estimate the number that may take advantage of this bill. One DMV official believes that some surviving spouses may be renewing their plates now without the knowledge of DMV.

The North Carolina Division of Veteran Affairs estimates there are 250 Silver Star recipients living in this state. No records are kept by the Veterans Administration in Washington on the whereabouts of these honored veterans. There is a one-time cost of \$100 to design the new plate and a one-time production cost of \$2.45 per plate. For 250 plates, the total production cost is \$712.50. In addition to the normal \$20 registration fee, there is a \$10 annual fee for each Silver Star plate that will be deposited into the Special Registration Plate Account within the Highway Fund. Personnel costs to administer the new license are taken from this fund.

FISCAL RESEARCH DIVISION

733-4910

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