

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**Session 2017**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 300 (First Edition)

**SHORT TITLE:** Partially Disabled Veteran/Free Plate.

**SPONSOR(S):** Representatives Hastings, Brawley, Speciale, and Henson

<b>FISCAL IMPACT</b>					
(\$ in thousands)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>State Impact</b>					
Highway Fund Revenues:	(\$63.3)	(\$63.3)	(\$63.3)	(\$63.3)	(\$63.3)
Highway Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	<b>(\$63.3)</b>	<b>(\$63.3)</b>	<b>(\$63.3)</b>	<b>(\$63.3)</b>	<b>(\$63.3)</b>

**PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:**  
Division of Motor Vehicles

**EFFECTIVE DATE:** July 1, 2017

**TECHNICAL CONSIDERATIONS:**  
Yes - See Technical Considerations Section

**BILL SUMMARY:**

Section 1 amends G.S. 20-79.7(a) to annually provide and issue free of charge a single special registration plate listed in this subsection to a person qualified to receive the plate in accordance with G.S. 20-79.4(a2) for a vehicle weighing up to 6,000 lbs.

The special registration plate added in this subsection is:

- (6) A Partially Disabled Veteran registration plate to a partially disabled veteran

Section 2 states that this bill becomes effective July 1, 2017 and applies to special registration plates issued on or after that date.

**ASSUMPTIONS AND METHODOLOGY:**

A query of the Division of Motor Vehicles State Titling and Registration System (STARS) yielded a total of 1,573 active Partially Disabled Veteran (PDV) plates under 6,000 lbs. as of December 31, 2016.

Annual registration fees for vehicles under 6,000 lbs. range from \$36.00-67.00. Figure 1 below provides detailed information on the total number of PDV plates under 6,000 lbs. as of December 31, 2016. The total revenue loss is \$63,317 annually.

**Figure 1**

	Annual Vehicle Registration Fees	# of PDV Plates as of 12/31/16	Total Cost
Passenger/Trucks with 4,000 lbs	\$ 36.00	1,300	\$ 46,800
Trucks with 5,000 lbs	\$ 56.50	169	\$ 9,549
Trucks with 6,000 lbs	\$ 67.00	104	\$ 6,968
<b>Total</b>		<b>1,573</b>	<b>\$ 63,317</b>

Given that the bill as currently written only provides a single special registration plate free of charge, it is possible that a qualified person may have more than one registered vehicle and the actual revenue loss could be less. It is also possible that the fiscal impact could be nominally higher if the number of qualified persons eligible to receive free registration plates under the bill is more than what was reflected in registrations as of December 31, 2016.

Any impact to DMV operations is assumed to be nominal.

**SOURCES OF DATA:** Division of Motor Vehicles

**TECHNICAL CONSIDERATIONS:** Due to the updates required to the State Titling and Registration System (STARS), DMV estimates it will not be able to implement the changes presented in this bill until February 1, 2018.

**FISCAL RESEARCH DIVISION:** (919) 733-4910

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**APPROVED BY:**

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**Fiscal Research Division**

**DATE:** March 21, 2017



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