

Special Group License Plates

\$6,000 is currently the startup and programming costs for the Motor Vehicle Division to issue a new type of special group license plates. The Legislature must decide how to fund this cost with each newly proposed type of special group license plates. The following are examples of how the plates were funded in the past. How should the plates be funded in the future?

Funding Approach	Example	Plates that used approach	Notes
1. Issue plates only after startup materials and programming costs are paid	\$6,000 contribution from the promoting organization to the Motor Vehicle Division	<ul style="list-style-type: none"> veterans' snowmobile soil conservation 	Someone must pay startup costs before any plates are issued
2. Charge extra for original set plates and plate replacements	\$5 (*initial fee is \$50 for special interest vehicles)	<ul style="list-style-type: none"> amateur radio operator search and rescue team *special interest vehicle 	Extra fee partially repays startup costs overtime <input type="checkbox"/> initial startup cost still an issue
3. Charge extra for annual renewal of plates	\$10	<ul style="list-style-type: none"> veterans' special interest vehicle 	A portion of the extra fee could be dedicated to partially repay costs <input type="checkbox"/> initial startup cost still an issue
4. Motor Vehicle Division charges benefitting entity for startup and programing costs	Costs recovered by Motor Vehicle Division by handling fees charged to the institutions for each set of plates issued	<ul style="list-style-type: none"> collegiate wildlife 	Some of the proceeds are diverted to fund startup costs overtime <input type="checkbox"/> initial startup cost still an issue
5. Fund an appropriation from the General Fund (fiscal notes are generally funded in an appropriation bill)	Fiscal note - \$6,000 from the General Fund	<ul style="list-style-type: none"> clean fuel **search and rescue team 	General Fund expenditure **funding was removed requiring the division to cover the costs

1. How can startup expenses be reduced?

Knowing that more new special group license plates will likely be added in the future, how can the Motor Vehicle Division's \$6,000 startup and programming expenses be reduced, for each new type of special group plates?

2. Who should pay the startup expenses?

- Taxpaying public - General Fund
- Benefitting entity
- Plate purchasers
- Motor Vehicle Division