

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 76 – SB 1489**

March 7, 2019

**SUMMARY OF BILL:** Authorizes military and memorial license plates to be personalized. Requires payment of any other required fees and a fee to defray the cost of designing and manufacturing the personalized plates.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$52,500**

**Other Fiscal Impact – The Department of Revenue will retain approximately \$4,950 from the sale of 1,500 personalized license plates each year to compensate TRICOR for production costs. TRICOR will receive approximately \$750 in net revenue from the sale of every 1,500 license plates.**

Assumptions:

- According to the Department of Revenue (DOR), there are approximately 66,055 memorial and 86,238 military plates currently issued for a total of 152,293 plates. This number is assumed to remain constant into perpetuity.
- It is reasonably assumed that at least 1,500 registrants (slightly less than one percent) will request personalized plates each year as a result of this legislation.
- Based on information provided by DOR, there is a personalization fee equal to \$35, which is charged annually for the plate, and the fee applicable to producing the license plate is estimated to be \$3.30 per plate, which is a one-time fee. Given that at least 1,500 registrants each year are assumed to request personalized plates, the total fee is estimated to be \$38.30 (\$35.00 + \$3.30).
- The recurring increase in state revenue is estimated to be \$57,450 (\$38.30 fee x 1,500 plates). However, \$4,950 (\$3.30 x 1,500 plates) will be distributed to TRICOR to fund production of the personalized plates. The remaining \$52,500 (\$35 x 1,500 plates) will be deposited to the state General Fund.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

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