

FISCAL NOTE
Requested by Legislative Council
12/22/2014

Bill/Resolution No.: SB 2117

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(27,000)		\$(27,000)
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill would discontinue the Lewis and Clark license plate.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Discontinuance of the Lewis and Clark license plate would also result in discontinuance of the related \$10 fee collected at the time of issuance.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

NDDOT collects approximately \$27,000 per biennium on the issuance of the Lewis and Clark license plate. This revenue is deposited into the Highway Fund. Discontinuance of the Lewis and Clark plate would result in the loss of this revenue to the Highway Fund.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Linda Sitz
Agency: NDDOT
Telephone: 328-1986
Date Prepared: 01/07/2015

2015 SENATE TRANSPORTATION

SB 2117

2015 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

SB 2117

1/8/2015

Recording job number 21777

Subcommittee

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To repeal section 39-04-09.1 of the North Dakota Century Code, relating to Lewis and Clark license plates

Minutes:

Attached testimony: 1

Vice Chairman Casper opened the hearing on SB 2117, Chairman Oehlke stepped out momentarily.

Mark Nelson, Deputy Director North Dakota Department of Transportation explained intent of the bill: to discontinue the Lewis and Clark plates, since the same plate number can be issued to both the Lewis and Clark and the standard plate. (attachment #1) (1:52-6:08)

Senator Sinner: Will these plates be replaced by new issues? Why was this allowed to happen?

Mark Nelson, Deputy Director for Driver and Vehicle Services at the North Dakota Department of Transportation: this will be taken care of during the renewal cycle.

Senators Campbell, Rust and Sinner asked if a bill is really needed to stop issuing the same number to different plates, if it can be done internally by the agency and how many states have multiple plates with the same number.

Mark Nelson: Lewis and Clark plate is in statute. Most states have multiple plates.

Senator Rust: any consideration to having a Lewis and Clark logo like a veteran's plate? When we look at the fiscal note it is a \$27,000 loss of revenue. Don't like idea of Lewis and Clark going away totally. (9:50-12:00)

Mark Nelson: We haven't looked into it. Typically these plates are done like an organizational plate. In policy we have the number you have to order, a set-up fee that has to be paid by someone, typically an organization. We could have internal discussions if there were a desire to try to keep it, I don't know exactly what that process would be like at this time. The revenue you see is the revenue generated in the last two years. In addition to the regular fee for the license plate there is a \$10 one-time fee for the Lewis and Clark license plate. We currently have 60 plus variations of license plates in ND. When we

designed the new license plate we had tourism in the room, dot, highways patrol and roughrider industries all involved in the development of the design

Vice Chairman Casper closed the hearing

Senator Axness moved do pass. **Senator Campbell** seconded

Chairman Oehlke: if there were interest in having another type of plate there is plenty of time to do a bill and not necessarily amend this one for that purpose.

Linda Sitz, DOT, Motor Vehicle Division Director: in order to do an organizational plate there are guidelines. They have to be 501c3 so, technically, already legislative approved if it falls into the guidelines. I don't know if Lewis and Clark is a 501c3. We would have to look into that, we would also have to look at and approve a logo. There is a repetitive process that has been going on historically with different types of plates having the same number, it is a nationwide problem; other states are discontinuing that practice.

Senator Sinner: would you support a bill forbidding that? Couldn't you go back to the one first issued: first one that got the plate is the one who gets to keep it.

Linda Sitz, yes it would be a big project but if that is what is put into law then DOT would follow that practice.

Senator Axness: this problem is just not with Lewis and Clark plates, why are we doing this with the Lewis and Clark ones?

Linda Sitz: because Lewis and Clark is a totally different background, a totally different design. We are talking about two different situations, design is one and numbers is another. We would need to see how many plates are duplicated. We plan to get rid of some of the duplications, in the buffalo and Lewis and Clark plates, based on who had the plate first.

Roll call vote was taken: Yes 5 No 1 Absent 0 **Carrier Senator Campbell**

Meeting adjourned.

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL NO. 2117**

Senate TRANSPORTATION Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Senator Axness Seconded By Senator Campbell

Senators	Yes	No	Senators	Yes	No
Chairman Oehlke	x		Senator Axness	x	
Vice Chair Casper	x		Senator Sinner		x
Senator Campbell	x				
Senator Rust	x				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Senator Campbell

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2117: Transportation Committee (Sen. Oehlke, Chairman) recommends **DO PASS**
(5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2117 was placed on the
Eleventh order on the calendar.

2015 HOUSE TRANSPORTATION

SB 2117

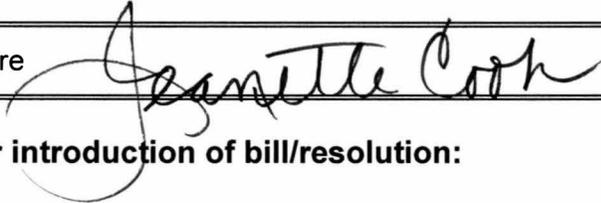
2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

SB 2117
3/5/2015
#24386

Subcommittee
Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A bill relating to Lewis and Clark license plates.

Minutes:

Attachment #1

Chairman Dan Ruby opened the hearing on SB 2117.

Mark Nelson, Deputy Director DDDVS, North Dakota Department of Transportation spoke to introduce and support SB 2117. Written testimony was provided. See attachment #1.

Vice Chairman Lisa Meier: Do you know how many people currently have the Lewis and Clark plate?

Mark Nelson: About 16,000 out of 1,000,000 that we do.

Chairman Dan Ruby: I didn't realize that the LC was part of the number.

Mark Nelson: We do that, especially with the number plates. It can also happen with the personalized plates (Mark 1234 or LC 1234). We can have two plates with the same number, one plate having the LC on it. I don't think most citizens even know that the LC is part of the number. It is policy, so it is something that we can take care of. Now, we just need to decide if we want just one plate in North Dakota or two.

Chairman Dan Ruby: With the new plate, will people be able to keep the number that they have now?

Mark Nelson: We are still looking at the policy side of how we will handle the special letter plates. We are having discussions about if a special number plate will be treated like a special letter plate. I think that a person will have the ability to get the same number, but it might be treated like a special letter plate and have to pay the additional fee.

Representative Robin Weisz: Can you give me an update of how we will do the replacement with the new issue?

Mark Nelson: The new issue will start in the fall of this year; we are not sure of the exact date. We will start with the production, and it will cycle through as a regular registration cycle. It will take just over a year to complete.

Representative Kathy Hawken: It seems to me that since the cost of a plate isn't covered, the cost of the vanity plate would subsidize that.

Chairman Dan Ruby: I thought that we covered the cost more so on the plate than on the driver's license.

Representative Kathy Hawken: We did, but I remember from the budget two years ago, that isn't the case anymore. We subsidize both of those.

Mark Nelson: That is correct. We don't recover the full amount by what we charge for license plates. I have been told by Roughrider, that the sheeting for the license plates will come preprinted. If we print the Lewis and Clark plates, that sheeting will come in white. Then we will have to print all of those colors. So, the cost of doing the Lewis and Clark plates will be higher because we are using all of that ink.

There was no further support for SB 2117.
There was no opposition to SB 2117.

Representative Ben Hanson moved a DO PASS on SB 2117.
Vice Chairman Lisa Meier seconded the motion.

A voice vote was taken: Aye 12 Nay 0 Absent 2
The motion carried.

Representative Mike Schatz will carry SB 2117.

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2117**

House Transportation Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Ben Hanson Seconded By Vice Chairman Lisa Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby	X		Rep. Delmore	X	
Vice Chairman Meier	X		Rep. Hanson	X	
Rep. Rick Becker	X		Rep. Nelson	X	
Rep. Frantzvog	A				
Rep. Hawken	X				
Rep. Olson	X				
Rep. Owens	A				
Rep. Paur	X				
Rep. Schatz	X				
Rep. Sukut	X				
Rep. Weisz	X				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Representative Mike Schatz

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2117: Transportation Committee (Rep. Ruby, Chairman) recommends DO PASS
(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2117 was placed on the
Fourteenth order on the calendar.

2015 TESTIMONY

SB 2117

Senate Transportation COMMITTEE
January 8, 2015 – 11:00 a.m. – Lewis and Clark

North Dakota Department of Transportation
Mark Nelson, Deputy Director DDDVS
Senate Bill 2117

Mr. Chairman and members of the committee – I am Mark Nelson, Deputy Director for Driver and Vehicle Services at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

SB 2117 is presented by the DOT to repeal Section 39-04-09.1 which would discontinue the Lewis and Clark plate once the new general issue plate is available. When originally created in 1999, the Lewis and Clark plate was designed and distributed to celebrate Lewis and Clark and their importance to North Dakota History. In its original conception, the Lewis and Clark plate did have a sunset clause, however, that was subsequently removed.

The DOT is making this request based on the following factors. First, we are aware of situations that have occurred where violations of law are being committed by someone operating a vehicle with a Lewis and Clark plate, yet the individual being contacted by law enforcement during an investigation was the owner who was issued the standard buffalo plate. How can this happen? Under current practice within the Motor Vehicle Division, we allow the same number to be issued on both series of plates. The instances described occurred when out-of-state law enforcement or citizens did not include the LC as the first two digits of the plate when calling in, which means someone having the same personalized plate on a regular buffalo series plate was being listed as the owner of the vehicle in violation of the law. The violations occurring involved a hit and run crash and parking violations in a border city.

Second, as directed by this legislative body in the 2013-15 session, our agency has undertaken the process of providing a new general issuance plate that is scheduled to be released in the fall of 2015. As we prepare for this general reissuance, the timing is right to have a discussion with this body to consider the removal of the Lewis and Clark plate.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.



8B2117
3-5-15
#1

1 of 2

House Transportation COMMITTEE
March 5, 2015 – 9:00 a.m. – Fort Totten Room
North Dakota Department of Transportation
Mark Nelson, Deputy Director DDDVS
Senate Bill 2117

Mr. Chairman and members of the committee – I am Mark Nelson, Deputy Director for Driver and Vehicle Services at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

SB 2117 is presented by the DOT to repeal Section 39-04-09.1 which would eliminate the Lewis and Clark plate once the new general issue plate is available. When originally created in 1999, the Lewis and Clark plate was designed and distributed to celebrate Lewis and Clark and their importance to North Dakota history. In its original conception, the Lewis and Clark plate did have a sunset clause, however, that was subsequently removed.

The DOT is making this request based on the following factors. First, we are aware of situations that have occurred where violations of law are being committed by someone operating a vehicle with a Lewis and Clark plate, yet the individual being contacted by law enforcement during subsequent investigation was the owner who possessed the standard buffalo plate. This has occurred as we have allowed under current practice within the DOT to allow someone to have the same plate number on both series of plates. The instances described above have occurred when out of state law enforcement or citizens did not include the LC as the first two digits of the plate, thus someone having the same personalized plate on a regular buffalo series plate was being contacted.

Second, as directed by this legislative body in the 2013-15 session, our agency has undertaken the process of providing a new general issuance plate that is scheduled to be released in the fall of 2015. As we prepare for this general reissuance, we felt this was an appropriate time to reconsider the continuance of the Lewis and Clark plate and to bring it before this legislative body for consideration and discussion.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.

