



Oregon

Kate Brown, Governor

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DATE: May 1, 2017

TO: Senate Committee on Business and Transportation

FROM: Amy Joyce, Legislative Liaison

SUBJECT: HB 2922, Crater Lake license plate surcharge

INTRODUCTION

House Bill 2922 increases the surcharge amount collected for issuance of Crater Lake National Park registration plates.

DISCUSSION

The Legislature created the Crater Lake National registration plate program in the 2001 session; DMV began issuing these special registration plates in August 2002. The surcharge amount of \$10 per plate (\$20 per pair) is collected by DMV when the plates are initially issued. This is a one-time fee, and not collected at registration renewal. To date, over 340,000 sets of plates have been issued. Transferred funds benefit the Oregon Community Foundation for use on Crater Lake projects. The bill would increase the surcharge to \$15 per plate, or \$30 per plate set.

Transferred funds are the difference between the surcharge collected and the DMV costs that must be retained. These include the additional plate manufacturing cost over the standard "tree" plate, and the DMV administrative costs for handling these plates. Such costs are not eligible for Highway Funds, so these costs must be recovered by retaining a small portion of the surcharge. Since the plate was established in 2002, the plate manufacturing fee and DMV's administrative costs have slowly risen resulting in DMV periodically increasing the amount held back from each transaction. Although costs have gone up, the surcharge amount has remained constant since 2002 at \$10 per plate.

DMV will need to make computer system changes in order to collect the increased \$15 per plate (\$30 per pair) surcharge, and make changes to forms and materials regarding the surcharge amount. Those costs are not Highway Fund eligible; however, the implementation costs could be deducted from surcharge revenues raised by the sales of the Crater Lake plates.

SUMMARY

This bill increases the surcharge amount collected at issuance of Crater Lake plates.