



[HF 590](#) – Flying Our Colors License Plate, Sunset Repeal (LSB2331HV.1)
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Fiscal Note Version – Final Action

Description

[House File 590](#) eliminates the July 1, 2023, repeal of language that requires the Treasurer of State to transfer license plate revenue from the Statutory Allocations Fund to the Flood Mitigation Fund. Under House File 590, special fees collected by the Flying Our Colors license plates would continue to be deposited into the Flood Mitigation Fund.

Background

Under current law, individuals may obtain the Flying Our Colors license plate at an initial special fee of \$35 and an annual special fee of \$10. These special fees are deposited in the Road Use Tax Fund (RUTF) and then the same amount credited monthly from the Statutory Allocations Fund to the Flood Mitigation Fund.

The Flood Mitigation Fund was created in 2012 Iowa Acts, chapter [1094](#), and is under the control of the Flood Mitigation Board within the Department of Homeland Security and Emergency Management. Moneys in the Fund are used to provide grants, loans, and forgivable loans of up to \$4.0 million in any one fiscal year to governmental entities. The Fund has provided funding to a flood mitigation project for the Platteville Drainage District.

Approximately \$84,000 in FY 2021 and \$137,000 in FY 2022 was deposited into the Flood Mitigation Fund from the Statutory Allocations Fund. As of May 8, 2023, the year-to-date transfer amount for FY 2023 is approximately \$87,000. The transfer from the Statutory Allocations Fund is the Flood Mitigation Fund's only source of revenue.

Under current law, the Flood Mitigation Fund would cease to be funded by the special fees collected for the Flying Our Colors license plates on July 1, 2023.

Assumptions

Annual special fees collected from the Flying Our Colors plate is estimated to equal the average amount collected between FY 2021 and FY 2022.

Fiscal Impact

House File 590 is estimated to maintain annual funding of approximately \$111,000 from the Statutory Allocations Fund to the Flood Mitigation Fund.

Sources

Integrated Information for Iowa (I/3)
Iowa Department of Homeland Security and Emergency Management
Legislative Services Agency calculations

/s/ Jennifer Acton

May 9, 2023

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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