

FILED MAR 13 '03

SENATE FILE 380  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SF 125)

Passed Senate, Date Passed 3/31/03 Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to funding for nongame wildlife programs by  
2 increasing the fees for special natural resources motor  
3 vehicle registration plates.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 380

1 Section 1. Section 321.34, subsection 11, Code 2003, is  
2 amended to read as follows:

3 11. NATURAL RESOURCES PLATES.

4 a. Upon application and payment of the proper fees, the  
5 director may issue natural resources plates to the owner of a  
6 motor vehicle subject to registration under section 321.109,  
7 subsection 1, light delivery truck, panel delivery truck,  
8 pickup, motor home, multipurpose vehicle, motorcycle, trailer,  
9 or travel trailer.

10 b. Natural resources plates shall be designed by the  
11 department in cooperation with the department of natural  
12 resources which design shall include on the plate the name of  
13 the county where the vehicle is registered.

14 c. The special natural resources fee for letter number  
15 designated natural resources plates is ~~thirty-five~~ forty-five  
16 dollars. The fee for personalized natural resources plates is  
17 forty-five dollars which shall be paid in addition to the  
18 special natural resources fee of ~~thirty-five~~ forty-five  
19 dollars. The fees collected by the director under this  
20 subsection shall be paid monthly to the treasurer of state and  
21 credited to the road use tax fund. Notwithstanding section  
22 423.24, and prior to the crediting of revenues to the road use  
23 tax fund under section 423.24, subsection 1, paragraph "b",  
24 the treasurer of state shall credit monthly from those  
25 revenues to the Iowa resources enhancement and protection fund  
26 created pursuant to section 455A.18, the amount of the special  
27 natural resources fees collected in the previous month for the  
28 natural resources plates.

29 From the moneys credited to the Iowa resources enhancement  
30 and protection fund under this paragraph "c", ten dollars of  
31 the fee collected for each natural resources plate issued, and  
32 fifteen dollars from each renewal fee, shall be transferred to  
33 the department of natural resources wildlife bureau to be used  
34 for nongame wildlife programs.

35 d. Upon receipt of the special registration plates, the

1 applicant shall surrender the current registration receipt and  
2 plates to the county treasurer. The county treasurer shall  
3 validate the special registration plates in the same manner as  
4 regular registration plates are validated under this section.  
5 The annual special natural resources fee for letter number  
6 designated plates is ~~ten~~ twenty-five dollars which shall be  
7 paid in addition to the regular annual registration fee. The  
8 annual fee for personalized natural resources plates is five  
9 dollars which shall be paid in addition to the annual special  
10 natural resources fee and the regular annual registration fee.  
11 The annual special natural resources fee shall be credited as  
12 provided under paragraph "c".

13 EXPLANATION

14 This bill increases the fee for special natural resources  
15 motor vehicle registration plates from \$35 to \$45. The annual  
16 renewal fee is increased from \$10 to \$25. Additional fees  
17 charged for personalized registration plates are unchanged.  
18 The bill requires that moneys from the fee increases are to be  
19 transferred to the wildlife bureau of the department of  
20 natural resources to be used for nongame wildlife programs.

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SF 380 – REAP Plate Fees (LSB 2098 SV)

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Fiscal Note Version – New

**Description**

Senate File 380 increases the fees for the initial issuance of special natural resources license plates from \$35 to \$45. The Bill also increases renewal fees for the plates from \$10 to \$25. Revenues collected from the fee increases will be transferred from the Iowa Resources Enhancement and Protection (REAP) Fund to the Department of Natural Resources (DNR) Wildlife Bureau to be used for nongame wildlife programs.

**Assumptions**

1. The number of new natural resources license plates issued annually is unknown.
2. There are approximately 52,000 renewals issued annually, of which approximately 50,000 are for nonpersonalized plates and 2,000 for personalized plates.
3. Under current law, approximately \$520,000 is credited annually to the REAP Fund from fees collected for renewal of natural resources plates. Of that amount, approximately \$500,000 is generated from nonpersonalized plates and \$20,000 from personalized plates.
4. Under SF 380, an estimated additional \$780,000 will be credited annually to the REAP Fund from fees collected for renewals. Of that amount, approximately \$750,000 will be generated from nonpersonalized plates and \$30,000 from personalized plates.
5. Under the proposed law, the additional fees collected from the natural resources plates will be used to match federal funds allocated to the DNR for nongame wildlife programs.
6. The DNR is eligible to receive an estimated \$2.3 million in federal funds as follows:
  - FFY 2001: \$609,000
  - FFY 2002: \$976,000
  - FFY 2003: \$732,000
7. Prior to receiving the federal funds, the DNR is required to provide the following match for each year the funds are allocated. The total match for FFY 2001 through FFY 2003 is approximately \$1.9 million:

Federal Fiscal Year	Required State Match	
	Percentage	Dollars
2001	25.0%	\$ 152,000
2002	100.0%	976,000
2003	100.0%	732,000
Total		<u>\$ 1,860,000</u>

8. Of the total \$1.9 million required State match, the DNR has provided \$683,000 to date, which was borrowed from the Fish and Wildlife Trust Fund. The DNR expects to collect approximately \$534,000 from private donations and other grants, and will use that money to help repay the \$683,000 borrowed from the Trust Fund. The remaining \$149,000 represents a loss to the Trust Fund.
9. The remaining moneys that the DNR is required to match in order to receive the full allotment of federal funds is approximately \$1.2 million as follows:
  - \$100,000 for FFY 2001
  - \$384,000 for FFY 2002
  - \$732,000 for FFY 2003

10. The federal funds are allocated on a per project basis. Once a project is approved and funds are expended, the DNR requests federal reimbursement for that specific project, to the federal match limit allowed by the grant. To date, the DNR borrows the remaining balance from the Fish and Wildlife Trust Fund.
11. In addition to providing the \$1.2 million match, the DNR intends to repay the \$149,000 lost from the Fish and Wildlife Trust Fund.
12. It is unknown if the DNR will receive additional private donations to assist in meeting the match dollars.
13. The DNR does not intend to borrow additional moneys from the Fish and Wildlife Trust Fund, unless other sources of matching money are assured.

**Fiscal Impact**

The estimated fiscal impact of SF 380 to the Department of Natural Resources cannot be determined, as it is unknown how many new natural resources plates will be sold annually. The following is an example of the amount of revenue that would be generated based on the sale of 52,000 license plate renewals:

**Revenues Credited to the REAP Fund from  
the Renewal of Natural Resources Plates**

	Current Law	Proposed Law	Difference
Nonpersonalized Plates (50,000)	\$ 500,000	\$ 1,250,000	\$ 750,000
Personalized Plates (2,000)	20,000	50,000	30,000
<b>Total</b>	<b>\$ 520,000</b>	<b>\$ 1,300,000</b>	<b>\$ 780,000</b>

\* Additional revenues collected will be credited to the REAP Fund and transferred to the Wildlife Bureau of the Department of Natural Resources.

The DNR will use the additional revenues collected under SF 380 to assist in providing a State match of \$1.2 million. The match is a requirement for the DNR to receive \$1.2 million in federal funds for FFY 2001 through FFY 2003 for nongame wildlife programs.

To receive the full allotment of FFY 2001 and FFY 2002 federal funds, the DNR must provide a match of approximately \$484,000 by October 1, 2003. To receive the full allotment of FFY 2003 federal funds, the DNR must provide a match of approximately \$732,000 by October 1, 2004.

The additional revenues collected under SF 380 will also be used to assist in repaying the \$149,000 remaining loan balance from the Fish and Wildlife Trust Fund of the Department of Natural Resources.

**Sources**

Department of Transportation  
Department of Natural Resources

/s/ Dennis C Prouty

March 26, 2003