

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1026

Bill Subtitle: TO AUTHORIZE THE ISSUANCE, RENEWAL, AND REPLACEMENT OF A SPECIAL LICENSE PLATE TO PROMOTE AND SUPPORT THE GRAND LODGE OF ARKANSAS; AND TO REPEAL AND REENACT THE LAW LIMITING THE CREATION OF SPECIAL INTEREST LICENSE PLATES.

Basic Change :

Sponsor: Rep. Rye

HB1026 repeals § 27-24-111 and amends Arkansas Code Title 27, Chapter 24, Subchapter 14 to add a new section, § 27-24-1428, to create a special license plate for the Grand Lodge of Arkansas. The plate will be designed by DFA in consultation with the Grand Lodge of Arkansas.

DFA will determine the costs of the initial order and require fees for such costs, the number of applications that must be received, or a combination of applications and signatures. The bill creates a new fund, the Most Worshipful Grand Lodge, Free and Accepted Masons of the State of Arkansas.

Fees for issuance and renewal of the plate are the regular registration fee, a \$25.00 design-use contribution fee to be deposited monthly to the Most Worshipful Grand Lodge, Free and Accepted Masons of the State of Arkansas and a \$10.00 administrative fee to be deposited to the State Central Services Fund for the benefit of the Revenue Division of DFA. All fees are to be collected annually.

Revenue Impact :

Unknown increase in the State Central Services Fund depending on how many plates are issued.

Taxpayer Impact :

Vehicle owners may register their vehicles with a special license plate to support the Grand Lodge of Arkansas and Most Worshipful Grand Lodge, Free and Accepted Masons of the State of Arkansas.

Resources Required :

A supply of the special plates must be acquired and maintained. Computer programming will be necessary for new use type and use code.

Time Required :

An implementation date of January 1, 2020 is requested.

Procedural Changes :

Training and education of staff on new plate. Programming cost estimated at \$15,000 and \$750.00 annually. Plate inventory estimated cost of \$10,000.

Other Comments :

None.

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Legal Analysis :

Currently, § 27-24-111 provides that no new type of special license plate may be created under Title 27, Chapter 24, after January 1, 2014, unless a law authorizing an existing type of special plate is repealed. As the main purpose of this bill is to create a new special license plate, this bill works around this statutory limitation by repealing the entire statute rather than repealing an existing special license plate.

HB1026 requires DFA to create and issue a special license plate for the Grand Lodge of Arkansas, the ruling body of the Arkansas Masons. Qualification for issuance of the special license plate will require the motor vehicle owner to verify annual membership dues to the Arkansas Masonic Lodge of Free and Accepted Masons have been paid by showing a current dues card upon application for the license plate to DFA. In addition to payment of the normal registration fees, a \$25.00 fee is required to cover the design-use contribution that shall be remitted monthly to "The Most Worshipful Grand Lodge, Free and Accepted Masons of the State of Arkansas, and its Masonic Jurisdiction". The bill also requires payment of a \$10.00 handling and administrative fee. This fee will be deposited into the State Central Services Fund for the benefit of the DFA Revenue Division and is not to be considered or credited as direct revenue.

HB1026 creates a new section, § 27-24-1429, in Subchapter 14 of Chapter 24 of Title 27 to provide that no new type of special interest license plate may be created or issued after September 1, 2019, unless an existing type of special interest license plate is repealed. This new section is a recodification of § 27-24- 111, which is repealed by Section 1 of the bill.