



House of Representatives

General Assembly

File No. 399

January Session, 2011

House Bill No. 5290

House of Representatives, April 6, 2011

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE SALE, VIA INTERNET AUCTION, OF LICENSE PLATES ISSUED BY THE DEPARTMENT OF MOTOR VEHICLES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2011*) The Department of Motor
2 Vehicles shall develop a program for the sale, via Internet auction, of
3 certain number plates issued by the department. The program shall
4 specify the categories of number plates that are eligible for sale and
5 shall exclude those plates issued to persons, firms, corporations or
6 groups based on qualifications, occupation or business of the persons,
7 firms, corporations or groups eligible for the issuance and use of such
8 plates. The program shall establish certain procedures to be followed
9 by persons selling or buying a number plate, including procedures for
10 the transfer of any number plate that is sold and the issuance of a new
11 registration to the buyer and to the seller. Any number plate that is
12 sold shall be surrendered by the seller to the department prior to any
13 such transfer. The program shall require the department to provide
14 notice of such program to all persons who have a current registration

15 issued by the department. The auction shall be conducted in
16 accordance with requirements established by the department.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	New section

TRA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Department of Motor Vehicles	TF - One-time	500,000	0
Department of Motor Vehicles	TF - Cost	200,798	200,798
Department of Motor Vehicles	TF - Potential Revenue Gain	See Below	See Below
Comptroller Misc. Accounts (Fringe Benefits) ¹	TF - Cost	44,710	44,710

Note: TF=Transportation Fund

Municipal Impact: None

Explanation

There is a one-time cost of \$500,000 in FY 12 and an ongoing cost of \$245,508 beginning in FY 12 to the Department of Motor Vehicles to develop, implement and operate a license plate number auction business enterprise.

The initial cost of \$500,000 is for reprogramming multiple mainframe systems and for the design and development of a plate number online auction system. The ongoing Personal Services costs are four staff to run the auction business enterprise and process the winning bidder transactions. The agency will require two Motor Vehicle Analysts each at \$59,585 and two Motor Vehicle Examiners each at \$40,814 plus fringe benefits¹.

There is a potential revenue gain to the Special Transportation Fund

¹ The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated non-pension fringe benefit cost associated with personnel changes is 23.76% of payroll in FY 12 and FY 13. In addition, there could be an impact to potential liability for the applicable state pension funds.

from plate transfer and registration fees but the magnitude cannot be determined as it is unknowable what consumer interest and demand there is for acquiring or trading license plate registration numbers.

The table below presents the number of vanity plate combinations that are available for the Passenger, Combination, Commercial, Motorcycle, Camper, and Camp Trailer registration types. The same plate number can be issued in each of the registration types mentioned above.

VANITY PLATE OPTIONS:	Combinations
1, 2, 3, 4, 5 or 6 letters. Plates may include a dot between letters.	22,698
1 letter followed by 1, 2, 3, 4 or 5 numbers	39,780
2 letters followed by 1, 2, 3 or 4 numbers	8,892
3 letters followed by 1, 2 or 3 numbers	21,060
4 letters followed by 1 or 2 numbers	25,740
5 letters followed by 1 number	39,780
1, 2, 3, 4 or 5 numbers followed by 1 letter	39,780
1, 2, 3, or 4 numbers followed by 2 letters	8,892
1 or 2 numbers followed by 3 or 4 letters	28,080
1 number followed by 5 letters	39,780
Numbers: 00001 through and including 99999	100,000
Numbers: 000001 through and including 999999.	1,000,000
Possible Combinations	1,374,482

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: <http://www.ct.gov/dmv/cwp/view.asp?a=811&q=245212&dmoPNavCtr=|#52278>

OLR Bill Analysis**HB 5290*****AN ACT CONCERNING THE SALE, VIA INTERNET AUCTION, OF LICENSE PLATES ISSUED BY THE DEPARTMENT OF MOTOR VEHICLES.*****SUMMARY:**

This bill requires the Department of Motor Vehicles (DMV) to develop a program to sell certain vehicle number plates through an Internet auction. The program must establish the procedures for selling and buying a number plate, including procedures for transferring the plate and for issuing new registrations to the buyer and seller. The seller must surrender any number plate that he or she sells to DMV before it is conveyed to the buyer. By law, number plates are state property. The bill is not clear about who will sell or transfer the plates, who will receive the sale proceeds, and the relationships between DMV and the buyer or the seller.

The program must specify the categories of number plates eligible for sale. These cannot include number plates issued to people, firms, corporations, or groups eligible for special number plates because of their qualifications, occupations, or businesses (see BACKGROUND).

DMV must notify everyone who holds a current registration about the program, and the auction must be conducted according to requirements DMV establishes.

EFFECTIVE DATE: October 1, 2011

BACKGROUND***Special Number Plates***

By law, certain people and organizations qualify for special number plates. These people and organizations include volunteer firefighters

(CGS § 14-20a), veterans (CGS § 14-20b), immediate family members of residents killed in action with the armed forces (CGS § 14-20c), former prisoners of war (CGS § 14-21d), and licensed amateur radio operators (CGS § 14-21).

COMMITTEE ACTION

Transportation Committee

Joint Favorable

Yea 32 Nay 4 (03/18/2011)