STATE OF COLORADO

MOTOR VEHICLE BUSINESS GROUP

Department of Revenue

Business Location

1881 Pierce Street/Lakewood, Colorado Phone (303-205-5600

Mailing Address

Denver CO 80261-0016



Bill Owens Governor

M. Michael Cooke Executive Director

Aurora Ruiz-Hernandez Senior Director

March 3, 2003

The Honorable John Andrews Colorado State Senator and The Honorable Lola Spradley Colorado State Representative 200 E. Colfax Avenue Denver, Colorado 80203

Dear Senator Andrews and Representative Spradley,

This letter is being sent to fulfill the reporting requirements of CRS 42-3-122.5 regarding Korean War Veteran and American Indian Plates. The statute states that "The executive director of the department shall make an annual report by March 1st of each year to the general assembly. Such report shall be open for public inspection and shall include:

- (a) A summary of the department's activities for the previous year;
- (b) A statement of plate revenues;
- (c) Information regarding special plate purchases;
- (d) Expenses of the department;
- (e) Allocation of remaining revenues, and
- (f) Any recommendations for changes in statutes that the executive director deems necessary or desirable."

The department received a list with 2,072 names and addresses for the American Indian plate during the previous year. As of February 21st, the Department has not ordered nor has the Department of Corrections produced any American Indian plates because we are still awaiting approval of the plate design from the sponsor.

The Korean War Veteran plate has been approved and we are preparing a purchase order to be sent to the Department of Corrections. The Purchase Order will encumber the funds necessary to produce 2,521 sets of license plates. The total amount to be encumbered from the appropriation

will be \$12,806.68. Additionally, each rear plate will be issued a year tab (\$.17/tab, and a month tab (\$.11/tab). The cost of these tabs will be \$352.80.

We have not included indirect cost of Registrations staff or the Information Technology staff in the expenses of the Department.

As of this date, we have not shipped any plates to county offices. The Korean War Veteran Plate order referenced should be shipped to county offices and ready to issue prior to the end of this fiscal year (03).

Because these plates have not been purchased or issued to citizens as of this date, there is no revenue generated for these two plate types.

Motor Vehicle Business Group staff has submitted a budget amendment seeking increased spending authority to order more Korean War Veteran Plates in fiscal year 04 and to implement the American Indian plate. Without this spending authority, the Department will not be able to meet consumer demands for the Korean War Plate or produce the American Indian Plates requested. The Department will seek legislation to extend that spending authority for future years for these cash funded plates.

Please do not hesitate to contact me if you have any questions about this report.

Sincerely,

M. Michael Cooke, Executive Director

Department of Revenue

Cc: Steve Tool, Acting Senior Director Motor Vehicle Business Group