

HF3486 - 0 - Panhellenic Special Plates Established

Chief Author: **Cedrick Frazier**
 Committee: **Transportation Finance and Policy**
 Date Completed: **4/1/2026 7:50:21 AM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Restrict Misc Special Revenue	-	-	104	4	4	4
Total	-	-	104	4	4	4
Biennial Total			104			8

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Restrict Misc Special Revenue	-	-	.5	-	-
Total	-	-	.5	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/1/2026 7:50:21 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Restrict Misc Special Revenue	-	-	104	4	4	4
Total	-	-	104	4	4	4
Biennial Total			104			8
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc Special Revenue						
Expenditures	-	-	300	18	18	18
Absorbed Costs	-	-	(182)	-	-	-
Total	-	-	118	18	18	18
Biennial Total			118			36
2 - Revenues, Transfers In*						
Restrict Misc Special Revenue	-	-	14	14	14	14
Total	-	-	14	14	14	14
Biennial Total			14			28

Bill Description

This bill creates a new special plate series for fraternity or sorority organizations that are members of the National Pan-Hellenic Council. Each organization can request their own plate design that would incorporate an emblem for the organization and an inscription or associated motto that identifies the organization. The organization can opt into the standard plate message “Land of 10,000 Lakes” as well.

Any vehicle owner can apply for the special plate for passenger vehicles, noncommercial one-ton pickups, motorcycles, and recreational vehicles.

Contribution fees would be collected by DVS under a new account created in the special revenue fund. DVS is authorized to collect administrative costs for managing the account and the remaining balance would be paid to participating organizations based on the number of plates each organization has issued.

Assumptions

At the request of an eligible fraternity or sorority of the National Pan-Hellenic Council or its affiliated charitable foundation, DVS will design a special plate for each eligible fraternity or sorority. Requests from affiliated charitable foundations will be verified with the eligible chapter before a design is initiated.

Each plate design will cost up to \$5,000. The final design costs will depend on the complexity of the design and possible revisions. Note, the smaller motorcycle plates make many designs impractical.

There are nine national fraternities and sororities affiliated with the National Pan-Hellenic Council (NPHC). DVS assumes individual chapters will not apply for separate designs.

If all nine fraternities and sororities affiliated with the NPHC submit a design request, the total plate design costs will total \$45,000.

Once each plate design has been finalized and approved, the plate information and image will be added to the special plate brochure and to the public website special plate information page. The cost of these updates will be nominal and would be absorbed by DVS through existing staff hours.

This special plate is exempt from Minn. Stat. 168.1293, subdivision 2; therefore, no marketing study has been done to estimate the number of plates that will be requested. To determine the potential revenue, DVS will use the standard special plate demand count of 100 double plates being ordered in fiscal years 2027, 2028, and beyond for each potential plate design. A total of nine potential designs or 900 plates will be used.

The current manufacturing cost per plate is \$7.504 ($\$6.99 + \$0.274 + \$0.24 = \7.504). This cost includes plate pair with sheeting (\$6.99), MINNCOR service fees (\$0.274), and validation stickers (\$.24). Total annual manufacturing costs will be \$6,753.60 for 900 plates ($\$7.504 \text{ per plate} \times 900 \text{ plates} = \$6,753.60$). The final plate cost will be dependent on the number of plates ordered. The manufacturing cost of plates is covered by the plate appropriation from the Driver and Vehicle Services Operating Account per Minn. Stat. 168.381, subd. 4.

The current mailing cost per plate, as of January 19, 2026, ranges from \$7.34 to \$11.99 depending on the destination zone the plates are mailed to and the number of plates issued (single plate vs. double plate). The United States Postal Service (USPS) adjusts rates each January and July. The actual mailing costs will increase in July and again in January by an unknown amount, and total mailing costs will be higher. These fees are based on on-demand fulfillment of plate orders. Total annual mailing costs will be \$10,791 for 900 plates ($\$11.99 \text{ per plate} \times 900 \text{ plates} = \$10,791$). The final plate cost will be dependent on the number of plates ordered. The mailing cost of plates is covered by the plate appropriation from the Driver and Vehicle Services Operating Account per Minn. Stat. 168.381, subd. 4.

Standard plate fees would be applied for each plate ordered, which is currently \$15.50 for standard plates and \$13.50 for single and motorcycle/motorized bicycle plates. Total annual revenue for plate fees will be \$13,950 for 900 plates ($\$15.50 \text{ per plate} \times 900 \text{ plates} = \$13,950$). The actual revenue will be dependent on the number of plates ordered.

The vendor will require approximately 80 hours of MNDrive programming for system upgrades to configure the new contribution fee and revenue accounts. For FY 2027, the vendor's hour rate is \$227.10 for a total programming cost of \$18,168 (80 hours at \$227.10 per hour = \$18,168). These costs would be absorbed by the current vendor contract with DVS.

The vendor will require approximately 720 hours per plate design of MNDrive programming for system upgrades to configure the new plate category and rules for registrations and configure the new plate type. A total of 720 hours will be needed for the nine plate designs. For FY 2027, the vendor's hour rate is \$227.10 for a total programming cost of \$163,512 (720 hours at \$227.10 per hour = \$163,512). These costs would be absorbed by the current vendor contract with DVS.

DVS will require a temporary project manager (management analyst 2) for 6 months to coordinate the logistics of creating nine plate designs with nine separate entities, coordinate vendor setup, ensure open and continued communication with the organizations, facilitate financial setup, and ensure deadlines are met so plates can be launched onto. Salary and fringe benefits will cost \$52,042.48 plus non-salary expenses of \$3,643.48 for a total of \$55,685.96.

Expenditure and/or Revenue Formula

FY 2027

Expenditures

MNDrive programming (contribution fee & revenue account setup = \$18,168 (absorbed))

MNDrive programming (plate design setup x 9) = \$163,512 (absorbed)

Plate design fees = \$45,000 (\$5,000 per design x 9 designs = \$45,000)

Plate manufacturing = \$6,753.60 (\$7.504 per plate x 900 plates, final cost dependent on number of plates requested)

Mailing fees = \$10,791 (\$11.99 per plate x 900 plates, final cost dependent on mailing costs at time of production, destination, and number of plates requested)

One temporary FTE (salary and non-salary) = \$55,685.96

Total FY 2027 Special Revenue Expenditures = \$299,911

Total FY 2027 absorbed expenditures = \$181,680

Revenue

Plate fee = \$13,950 (\$15.50 per double plate x 900 plates, total revenue dependent on the number of plates requested)

FY 2028 and beyond

Expenditures

Plate manufacturing = \$6,753.60 (\$7.504 per plate x 900 plates final cost dependent on number of plates requested)

Mailing fees = \$10,791 (\$11.99 per plate x 900 plates, final cost dependent on mailing costs at time of production, destination, and number of plates requested)

Total FY 2028 and beyond Special Revenue Expenditures = \$17,545

Revenue

Plate fee = \$13,950 (\$15.50 per double plate x 900 plates, total revenue dependent on the number of plates requested)

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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