

MEMORANDUM

**TO: John Valentine, Tax Commission Chairman
Deanna Herring, Tax Commission Executive Director**

FROM: Monte D. Roberts, DMV Director

DATE: Apr 15, 2026

SUBJECT: DMV License Plate & Mailing Cost Fee Changes

In a communication dated March 30, 2026, the Utah Department of Corrections (UDC) notified the DMV of license plate pricing increases effective July 1, 2026. These adjustments respond to unavoidable market shifts and inflationary pressures encountered during the current fiscal year.

Cost Drivers and Mitigation

The primary drivers for these increases include:

- **Material Volatility:** Tariff-related impacts have increased costs for reflective sheeting, over-laminate, and aluminum.
- **Demand Pressures:** While UDC moved to a domestic aluminum supplier to avoid direct tariffs, high domestic demand has kept procurement costs elevated.
- **Logistics:** Successive USPS rate increases since the transition to centralized distribution have added to the cost pressures.

Throughout this period, UDC has optimized its supply chain to limit the impact on the State while maintaining high-quality production and delivery reliability. Detailed figures are provided in the attached "FY26 v FY27 Plate Costs Comparison."

Request for Action

We request approval to present these updated license plate and mailing fees at the Tax Commission's public hearing on April 23, 2026. This timeline ensures the new fee structure is integrated into our system by the July 1, 2026 effective date.

Thank you for your consideration.

Respectfully,

Monte D. Roberts

Monte D. Roberts
DMV Director