

Department of Planning and Budget

2002 Fiscal Impact Statement

1. **Bill Number** HB278ER

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☒ In Committee ☐ Substitute ☒ Enrolled

2. **Patron** Broman

3. **Committee** Passed Both Houses

4. **Title** Automated agencies of DMV.

5. **Summary/Purpose:** This legislation proposes to amend §46.2-205 of the Code of Virginia, to replace the two-tier compensation scheme for automated DMV agents with a single-tier system where each agent annually receives three and one-half percent of its gross collections.

6. **Fiscal Impact Estimates are final:** See Item #8.

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** The fiscal implications of this legislation are uncertain. While there will likely be a fiscal impact on DMV due to increased payments to automated agents, it is difficult to accurately estimate the amount of that impact. In FY2001, total collections by licensed agents were approximately \$16.9 million, with total payments of \$525,000 for an overall effective payment rate of 3.1%. Increasing this rate to 3.5% would result in approximately \$68,000 in additional payments. The department advises that it expects that increase to remain constant in future fiscal years as well.

9. **Specific agency or political subdivisions affected:** Department of Motor Vehicles

10. **Technical amendment necessary:** No.

11. **Other comments:** None.

Date: 02/25/02/MEM

Document: G:\Fis\02\Dmv\Hb278er.Doc Michael McMahon

c:Secretary of Transportation