

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB469

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Watts

3. Committee: Transportation

4. Title: DMV fees.

5. Summary: This bill allows the Department of Motor Vehicles (DMV) to waive any fee that would have otherwise be imposed by the Department under Title 46.2 (Motor Vehicles) if the person subject to the fee is on active duty with the armed forces of the United States outside the boundaries of the United States.

6. Fiscal impact estimates: Indeterminate.

7. Budget amendment necessary: No.

8. Fiscal implications: This legislation does not limit the fee waivers to only Virginia residents. Military personnel often obtain a driver's license and register their vehicle in Virginia, the place of their deployment, but still retain residency in other states. The bill is silent on whether the fee waiver includes vehicles registered in the name of the active military service person and another person, such as a spouse.

Currently, the automated system of the Department of Motor Vehicles (DMV) maintains a flag for "military" but does not capture "overseas" or "active duty" within the records. These would need to be added to both driver and vehicle records. Additionally, DMV would need to capture a time frame for "active" so that an individual who denotes "military" at one point in time would not free be of fees for an indefinite period. The current estimate of the cost to modify information systems to implement this bill is \$112,500.

While the fiscal impact of the bill is indeterminate, certain areas could potentially be affected by the waiver of fees. Many of the fees imposed in Title 46.2 are diverted to other state agencies and programs. The Department of Education receives \$1.50 for each driver's license renewal. Many special license plates have language authorizing revenue sharing with external, non-profit organizations. From reinstatement fees, \$40 is transferred to the Trauma Center Fund. Also, depending on the underlying conviction, these fees may be comprised of funds such as the \$25 dollars transferred to the Commonwealth Neurotrauma Initiative Trust Fund or funding for the Commission on the Virginia Alcohol Safety Action Program (VASAP). The Commonwealth Transportation Fund also receives revenue directly from fees assessed in Title 46.2. A waiver of these fees would have revenue implications in non-profit organizations, safety programs, and numerous state agencies aside from DMV, such as the Northern Virginia and Hampton Roads Transportation Authorities.

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

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/15/2008/jlv

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cc: Secretary of Transportation