

Department of Motor Vehicles 2008 Fiscal Impact Statement

1. **Bill Number:** HB525

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

2. **Patron:** Suit

3. **Committee:** Passed House

4. **Title:** **Additional vehicle registration fees in certain localities.**

5. **Summary:** Additional vehicle registration fees in certain localities. Exempts from the additional registration fees vehicles being registered in Virginia by a member of the armed forces of the United States if the vehicle had previously been registered in a foreign country while the member of the armed forces of the United States was deployed overseas.

6. **Fiscal Impact Estimates:**

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008			
2009	\$28,260.00	N/A	NGF
2010			
2011			
2012			
2013			
2014			

6b. Revenue Impact: None.

7. **Budget Amendment Necessary:** No.

8. **Fiscal Implications:** Unknown impact on the Hampton Roads and Northern Virginia Transportation Authorities.

9. **Specific Agency or Political Subdivisions Affected:**

This legislation would affect tax collections within the Hampton Roads Transportation Authority (HRTA) and Northern Virginia Transportation Authority (NVRTA) jurisdictions. It is unknown at this time the volume of vehicles that could qualify.

DMV has no way of identifying vehicles shipped overseas by owners in the military but would anticipate a low volume. DMV would be required to develop a mechanism to identify and record this new exemption so that the correct fee, less the 1%, can be calculated.

The estimated cost to change the DMV automated system to support this fee calculation is \$28,260.

10. Technical Amendment Necessary: No.

11. Other Comments:

The HRTA is comprised of the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, and the counties of Isle of Wight, James City and York.

The NVTA is comprised of the cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park, and the counties of Arlington, Fairfax, Loudoun, and Prince William.

The bill has been revised to incorporate DMV recommendations. DMV had discussed with the patron the fact that as written, the bill would provide this exemption statewide. It would apply to any vehicle owned by a member of the military that was previously registered in any Virginia jurisdiction, not just within the HRTA and NVTA jurisdictions. DMV also discussed with the patron the fact that the 1% guidelines provide a grandfathering clause that exempts from imposition of the 1% one-time fee any vehicle registered in HRTA and NVTA jurisdictions prior to January 1, 2008. The patron asked for an amendment to the bill that would codify this 1% fee exemption, pursuant to the guidelines, which we provided to her. The amendments were made in the House Transportation Committee and incorporated into the engrossed bill.

Date: 2/13/2008 dpb

Document: G:\FIS Template for 2008.doc

cc: