

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** HB20

House of Origin      X      Introduced                  Substitute                  Engrossed  
Second House                 In Committee              Substitute                  Enrolled

**2. Patron:** Cole

**3. Committee:** House Transportation

**4. Title:**        **Disabled veteran; definition.**

**5. Summary:** This bill provides that, for the purposes of Title 46.2 (Motor Vehicles), a veteran will be considered a "disabled veteran" if he is certified as being at least 50 percent disabled by the U.S. Veterans Administration.

**6. Fiscal impact estimates:** Preliminary (see Item #8).

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

**8. Fiscal Implications:** This bill would increase the number of disabled veterans who are eligible for Disabled Veteran (DV) license plates, which are issued as single sets and at no fee to the veterans. The expenditure impact for this bill cannot be estimated at this time since the number of new DV registrations that would be requested is unknown. Expenditures for this bill would be based on the number of transactions the Department of Motor Vehicles (DMV) would process and the number of plates actually produced as a result of the change made by this bill.

The exact revenue impact also cannot be determined at this time, though a loss of revenue is expected due to an anticipated increase in the number of no-fee vehicle registrations requested as a result of this bill. Each set of no-fee DV license plates represents an annual revenue loss of \$48.75, which is shared by DMV, the Departments of Transportation and State Police, and local rescue squads. As of December 2009, there were more than 5,300 active DV license plate registrations, representing 39 percent of the veterans eligible for those plates. According to the U.S. Department of Veterans Affairs (VA), the number of veterans who would become eligible for DV plates under this bill is more than 42,800. If the request remains at 39% after this bill becomes law, DMV would issue nearly 16,700 sets of DV license plates.

It is anticipated, however, that the request rate will rise significantly above 39 percent, due to the current economic climate and an increased availability of a no-fee registration option. Existing DV registrations account for an annual revenue loss of more than \$260,000, but the potential annual revenue lost as a result of this bill could total more than \$2,000,000. Without knowing how many of the eligible veterans would apply for DV plates as a result of this bill, an accurate revenue impact cannot be provided.

**9. Specific agency or political subdivisions affected:** Department of Motor Vehicles, Department of Transportation, Department of State Police, local rescue squads.

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

**11. Other comments:** None.

**Date:** 1/15/10/jlv

**Document:** G:\10-12\FIS\HB20.Doc Janet Vogelgesang

cc: Secretary of Transportation