

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2042

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: May

3. Committee: Passed Both Houses

4. Title: DMV; customer service

5. Summary: This bill modifies requirements for (i) release by the Department of Motor Vehicles (DMV) of vehicle title information, (ii) automated electronic payments to the DMV, (iii) temporary motorcycle operator licenses, (iv) deactivation, extension, and reactivation of vehicle registration and (v) authorizes DMV to issue veterans identification cards.

The bill has an enactment date of July 1, 2013, except for the provisions relating to deactivation, extension, and reactivation of vehicle registration (§ 46.2-646.1 and § 46.2-707) which become effective January 1, 2014.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See Item 8.

8. Fiscal Implications: The Department of Motor Vehicles' information technology staff will have to develop the systems needed to implement the legislation and procure services from a third-party vendor to provide secure storage of customer financial information. The cost of such services is estimated to not exceed \$200,000 annually.

By using automated renewals, the agency expects to save money on postage and processing of renewal notices, although the exact amount cannot be determined.

In addition, provisions of this bill will allow the agency to generate revenue from the \$10 fee for the reactivation of license plates and from the \$10 fee for a 30 day extension for emissions inspection. It is expected that the combination of savings and revenue from these new services would offset the expense to implement and support the components of this bill on an ongoing basis.

The bill also codifies some of DMV's existing efforts with issuing veterans identification cards. Any operational costs resulting from issuance of additional veterans identification cards will be addressed by the \$10 card fee. However, the budget, as passed by the Senate, directs that any costs associated with DMV's issuance of a National Guard-specific identification card be absorbed by the Office of the Secretary of Veterans Services and Homeland Security.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles,
Department of Environmental Quality, Virginia State Police.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is similar to SB1218.

Date: 2/11/13

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c: Secretary of Transportation