

## Department of Planning and Budget 2018 Fiscal Impact Statement

1. **Bill Number:** HB370

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

2. **Patron:** Rush

3. **Committee:** Transportation

4. **Title:** Unpaid Department of Motor Vehicle fees; minimum amount due prior to suspension of services.

5. **Summary:** This bill prohibits the Department of Motor Vehicles from suspending or revoking access to any services provided by the Department or the driving privileges of any person who is eligible for such suspension or revocation due to prior unpaid fees imposed by the Department if the total amount due to the Department is less than \$250.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Preliminary. See Item #8.

8. **Fiscal Implications:** According to the Department of Motor Vehicles (DMV), it does not suspend or revoke the driving privileges of any individual due to prior unpaid fees imposed solely by the Department.

DMV does suspend or revoke access to services when a person has an outstanding invoice with the Department. Most of these cases involve bad checks, incorrectly written checks, or debit and credit card issues. In all cases, DMV notifies the individual of the outstanding invoice, including the unpaid amount, the process for payment, and the statement that a hold will be placed on the customer's account if the invoice is not paid in 30 days.

If the individual does not pay the outstanding invoice by the required date, DMV places a hold on the individual's account such that he cannot access DMV services until the outstanding invoice is paid. If after one year the individual has still not paid the outstanding invoice and despite continued notifications by the Department, DMV begins the debt set-off process. The Virginia Department of Taxation's debt set-off program is a legal remedy to secure payment for outstanding debts owed to agencies and institutions of the Commonwealth. DMV's current process has resulted in relatively few outstanding invoice customer record holds.

This bill reduces DMV's ability to encourage outstanding invoices to be resolved in a timely manner. If enacted, DMV will likely have to utilize the debt set-off procedure more often, which could result in a delay in the resolution of outstanding invoices.

**9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Document:** **Date:** 1/12/2018

**Document:** Janet Vogelgesang G:\18-20\FIS 2018\HB370.docx

c: Secretary of Transportation