

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB737

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

2. Patron: McGuire

3. Committee: Transportation

4. Title: Department of Motor Vehicles documents; veteran endorsement

5. Summary: This bill requires the Department of Motor Vehicles to issue driver's licenses, permits, and identification cards with an endorsement indicating that the holder is a veteran provided that the holder requests such endorsement and provides poof of veteran status.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: Any change to the design of a Department of Motor Vehicles (DMV) credential requires additional resources and time. The agency contacted Canadian Bank Note (CBN), DMV's credentialing vendor, and they estimated it would cost approximately \$53,829 to design a veteran's indicator and update their information systems to apply it on the appropriate credentials. CBN would also need four months lead time to implement these changes.

Additionally, CBN has 2,300 finished Veteran's Identification cards and 659 printed sheets for Veteran's Identification Cards. In order to prevent fraud, this stock must either be validly issued or destroyed. If DMV no longer issues Veteran's Identification Cards following enactment of the bill, DMV would also need to pay CBN \$18,691 to destroy their current stock. Should this bill be the only bill passed with a fiscal impact to DMV, the agency would be able to absorb the cost. However, considering DMV's current budgetary concerns, DMV is not able to absorb the impact of multiple bills without additional resources or cutting other services.

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

10. Technical Amendment Necessary: No.

11. Other Comments: DMV and the Department of Veterans Services already offer a Veteran's Identification Card. The cost to set up a new Veteran Identification Card was a one-time fee of approximately \$96,000. This card certifies a citizen's veteran status and may be used to obtain recognition and discounts from private businesses. The cost of the card is \$10 but,

unlike a driver's license, it never expires. The Veteran's Identification Card should address individuals' concerns about proving their military status to interested parties and includes their branch of service. As of January 2018, Virginia has issued more than 100,000 Veteran Identification Cards and the Branch of Service has been routinely mentioned as something veterans appreciate.

Date: 1/22/2018

Document: Janet Vogelgesang G:\18-20\FIS 2018\HB737.docx

cc: Secretary of Transportation