

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB181

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

2. Patron: Stanley

3. Committee: Transportation

4. Title: Suspension of driver's license for nonpayment of fines or costs

5. Summary: This bill repeals the requirement that the driver's license of a person convicted of any violation of the law who fails or refuses to provide for immediate payment of fines or costs be suspended. The bill provides that the Commissioner of the Department of Motor Vehicles shall return or reinstate any person's driver's license that was suspended solely for nonpayment of fines or costs.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: This bill repeals § 46.2-395, and with it the requirement to suspend the driver's licenses of persons who fail to either pay their court fines and costs within 30 days or to enter into a payment plan acceptable to the court. This bill also requires the restoration or return of any driver's license suspended by the Commissioner solely because of unpaid fines and costs.

Suspended drivers pay a \$145 reinstatement fee, of which \$100 goes to the Trauma Center Fund and \$45 goes to the Department of Motor Vehicles (DMV). Drivers with multiple suspensions or revocations pay the \$145 reinstatement fee for the first order reinstated and a \$5 multiple order fee for each additional order. Using FY 2017 reinstatements, DMV estimates that it would lose approximately \$2.6 million annually in reinstatement fee revenue from this bill and deposits to the Trauma Center Fund would decrease by approximately \$5.8 million annually. Although the DMV could absorb this revenue loss in the short term, it is anticipated that DMV will not have enough resources in future years to equal anticipated expenses.

Because this bill removes a consequence for not timely paying court fines and costs, it is possible that collection of fines and costs would decrease. Courts would retain other methods of collection, such as wage garnishment and income tax withholding, which may offset some of the revenue lost from this bill.

Section 3-1.01 S. of House Bill 30/Senate Bill 30 (budget bill), 2018 General Assembly Session, specifies that one-half of the revenue received each quarter by the Trauma Center

Fund is to be transferred to the general fund, subject to a yearly cap of \$8,055,000. Under this bill, given a possible \$5.8 million decrease in the Fund, accounting for all revenues collected, the potential impact to the general fund would be \$900,000 annually. This impact was not noted in the original fiscal impact statement.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles, Virginia Department of Health, courts.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/2/2018

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cc: Secretary of Transportation