

Department of Planning and Budget

2021 Fiscal Impact Statement

1. Bill Number: HB2069H1

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

2. Patron: McQuinn

3. Committee: Transportation

4. Title: Special license plates; military decorations.

5. Summary: This bill establishes a system for determining the cost of special license plates for recipients of a military decoration based on the order of precedence of such military decoration as determined by the federal Department of Defense or other relevant federal agency. The bill authorizes the Department of Motor Vehicles to issue plates with a "V" for Valor Device on the appropriate plates. The bill provides that special license plates for recipients of a military decoration are exempt from the prepaid application requirement for special license plates and may be issued to unremarried surviving spouses of eligible recipients. The bill creates special license plates for recipients of the Distinguished Flying Cross with a "V" for Valor, the Airman's Medal, the Army Soldier's Medal, the Coast Guard Medal, the Distinguished Service Medal, the Navy Distinguished Service Medal, the Marine Corps Distinguished Service Medal, the Air Force Distinguished Service Medal, the Defense Distinguished Service Medal, and the Defense Superior Service Medal. The bill changes from one-time to annual the \$10 fee for certain special license plates issued after the effective date of this bill.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: In 2019, the House Transportation Committee charged the Department of Motor Vehicles (DMV) with conducting a stakeholder driven study to seek uniformity of military medal plates. Military experts involved in the study represented multiple stakeholder groups including, the Virginia Department of Veterans Services, the Board of Veterans Services, and the Joint Leadership Council of Veterans Service Organizations. The study resulted in the stakeholders proposing legislation to change how medal plates and their fee structures would be implemented moving forward.

This bill seeks to create uniformity based on the Department of Defense prescribed order of precedence. Under this order, those medals falling below the Medal of Honor and down to and including the Purple Heart would be required to pay a one-time ten dollar fee in addition to the prescribed cost of state license plates. Those medals below the Purple Heart would be required to pay an annual ten dollar fee as well as the prescribed cost of state license plates. As of today, the order of precedence places these three medals above the Purple Heart, and

their fees are in compliance with the stakeholder recommendations. The study also recommended adding special plates for those military medals that were not currently in the *Code* to ensure uniform availability of all medals as special plates.

This legislation is anticipated to have minimal fiscal impact on the agency. The bill codifies the status quo. The revenue from the change to a one-time \$10 fee for the Navy and Marine Corps medal plates going forward cannot be determined for future plate sales. Likewise, sales estimates for the new Airman, Soldier, and Coast Guard medal plates created by the bill cannot be forecast.

In order to implement the bill, the agency will incur programming costs estimated at \$19,143. The 265 staff hours required can be accomplished during the normal work schedules for DMV employees, given current workloads. DMV would be able to absorb this cost within its existing resources.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.