

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2260

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

2. Patron: Scott

3. Committee: Appropriations

4. Title: Vehicle registration fees; Public Safety Trust Fund.

5. Summary: Imposes an additional vehicle registration fee to be deposited into the Public Safety Trust Fund, established by the bill. The additional registration fee would be \$4.00 per year beginning July 1, 2021. The revenues in the Public Safety Trust Fund would be used to establish an equitable and competitive pay structure that eliminates barriers to an inclusive, diverse, and well-qualified workforce by addressing compensation issues that negatively impact recruitment and retention at the Department of State Police.

6. Budget Amendment Necessary: No.

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

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2021		
2022	\$28,547,132	Nongeneral fund
2023	\$29,118,074	Nongeneral fund
2024	\$29,700,436	Nongeneral fund
2025	\$30,294,445	Nongeneral fund
2026	\$30,900,333	Nongeneral fund
2027	\$31,518,340	Nongeneral fund

8. Fiscal Implications: The legislation would raise vehicle registration fees by \$4.00 beginning July 1, 2021. Currently, the base fee for most private passenger cars is either \$33 (for vehicles weighing 4,000 pounds or less) or \$38 (for vehicles weighing more). In addition to the base registration fee of \$33/\$38, the Department of Motor Vehicles (DMV) currently collects a fee of \$1.50 per vehicle to support the motor vehicle safety inspection program administered by the Department of State Police (VSP). (There also are additional fees totaling \$6.25 that support Emergency Medical Services).

In calendar year 2020, there were 6,996,846 vehicles registered in Virginia. Assuming a two percent increase in vehicle registrations per year, the estimated additional revenues are noted in Item 7b above.

9. Specific Agency or Political Subdivisions Affected: Department of State Police

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is a companion to SB1211.