

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB215

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

2. Patron: McPike

3. Committee: Passed Both Houses

4. Title: Electronic vehicle titling and registration.

5. Summary: This bill permits the Department of Motor Vehicles to expand the existing electronic titling program for new motor vehicles to all applications for original motor vehicle titles, thereby authorizing person-to-person online titling. The bill authorizes the Department to charge certain fees. The bill also allows for the online registration of such motor vehicles, allows for the issuance of a temporary certificate of registration valid for no more than 30 days, and makes discretionary the current requirement to search a nationally recognized motor vehicle title database prior to transfer of vehicle ownership.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: The legislation would allow the DMV to establish an online process for the transfer of title between two individuals. This program would remove the requirement for individuals involved in person-to-person sales transactions to physically visit a DMV customer service center to complete the titling of a motor vehicle in the buyer's name. This legislation would reduce the number of paper titles DMV is required to print as the proposal allows a buyer to request a paper title but does not automatically require a paper title to be printed.

After the online title transfer, the buyer will also be able to register the vehicle online. While buyers wait for the permanent registration certificate and metal license plates to be mailed, they will be given a temporary registration permitting operation of the vehicle on roadways. Currently, no original vehicle registration can be completed online. This legislation authorizes DMV to offer original registration and license plate requests to residents of the Commonwealth through an online transaction for person to person sales.

Preliminary IT estimates are for a one-time cost of \$690,837 and will require 9380 hours to complete. The program can be accomplished with existing agency staff during regular work hours. The agency has reserved sufficient funds to provide for the costs of this initiative and one-time cost, as a result, no budget amendment will be required to fund this program.

The authorization for charging for the use of digital signatures will allow the DMV the ability, if necessary, to provide a service to allow participants to sign documents digitally online. Currently no such services are offered by DMV and the costs for each signature cannot be estimated. However, if the service needs to be provided, DMV will be able to recover the costs of providing this service to participants in the online casual sales process by charging for the use of the digital signature program.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.