

## Department of Motor Vehicles 2007 Fiscal Impact Statement

**1. Bill Number** HB1927

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron**        Griffith

**3. Committee**    House Transportation

**4. Title**            Antique vehicles; imposes additional limitations and conditions on certain vehicles.

**5. Summary/Purpose:** Antique vehicles. Imposes additional limitations and conditions on certain vehicles registered as antique vehicles.

**6. Fiscal Impact Estimates are unknown.**

**7. Budget amendment necessary:** Yes; to provide dedicated funding for the costs related to hiring and maintaining DMV inspection personnel and equipment.

**8. Fiscal implications:** Two requirements of the bill have the most significant fiscal impacts on DMV: The option to have DMV inspect a vehicle to determine if it qualifies for antique license plates and the redesign and reissuance of the black & white and yellow antique license plates.

In FY '06, approximately 25,000 vehicles registered with antique license plates. As of June 30, 2006, the active antique plate registrations totaled approx. 109,000.

The estimated cost to redesign and reissue the black & white and yellow antique license plates to display "LIMITED USE" is just over \$800,000, based on redesign costs per set of plates (\$6.88) for approx. 109,000 sets of plates (\$750,000) and the cost to process the reissuance of these plates (\$54,400).

The estimated cost that would be incurred by DMV to inspect a vehicle to determine if it qualifies for antique license plates is roughly \$125 per inspection. This calculation is based on and consistent with estimated indirect overhead costs and direct personnel time and equipment costs related to the current salvage and VIN inspection program. The number of this new type of inspection that would be performed is not known because it is optional under this proposal. However, using the FY '06 antique plate registration figures (approx. 25,000), DMV could incur up to \$3 million in antique vehicle inspection costs if all antique vehicle owners choose that option. Under this bill, DMV has no authority to collect a fee or recoup costs for antique vehicle inspections.

DMV would prefer not to perform antique vehicle inspections because there is a lack of objective, limiting criteria for determining how a vehicle would qualify for antique license plates. If DMV is required to perform such inspections, the bill should include authority for DMV to charge an appropriate antique vehicle inspection fee to owners who choose to have DMV inspect their vehicles in order to allow DMV to be reimbursed for the costs of performing those inspections.

Costs to enforce the proposed bill are not known.

**9. Specific agency or political subdivisions affected:** DMV, state and local law enforcement

**10. Technical amendment necessary:** DMV believes several technical amendments should be made, specifically relating to the use of metal tabs and to the effect of DMV refusing to issue antique license plates for five years to any vehicle found to have been used in violation of the proposed bill. The antique vehicle inspection fees should be dedicated to hiring and maintaining DMV inspection personnel and equipment.

**11. Other comments:** None

**Date:** 01/12/07 /jmc

**Document:** G:\LLSDATA\2007 Legislation\Session\DPB Fiscal Impact Statements\HB1927.DOC

cc: Secretary of Transportation