

## Department of Planning and Budget 2007 Fiscal Impact Statement

**1. Bill Number** HB2257

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

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

**2. Patron** Rust

**3. Committee** Transportation

**4. Title** Assessment of fees by Department of Motor Vehicles (DMV) on certain drivers; use of fees

**5. Summary/Purpose:** This bill requires the Commissioner of the Department of Motor Vehicles (DMV) to impose and collect fees on drivers who have accumulated more than four net driver demerit points or have been convicted of driving on a suspended or revoked license, reckless or aggressive driving, driving under the influence, or any other misdemeanor or felony involving operation of a motor vehicle. Annually, the first \$35 million of these fees, minus cost of collection, will be directed to the special matching fund established by § 33.1-23.05; the next \$25 million will be directed to the Transportation Partnership Opportunity Fund; and the remainder will be directed to the Local Congestion Mitigation Incentive Fund.

**6. Fiscal impact estimates are preliminary.** See Item 8.

**7. Budget amendment necessary:** No. Item 435 F.2. permits an administrative adjustment to the appropriation for the Department of Motor Vehicles.

**8. Fiscal implications:** This bill includes two fee components:

- assessment of an annual fee for 4 or more demerit points on a driving record,
- assessment of additional fees for certain convictions related to driving.

The broad categories of driving infraction include: driving with a suspended or revoked license; reckless driving; driving under the influence; misdemeanors, and felonies. The Department of Motor Vehicles will collect all fees. Anticipated net revenues after collection costs appear below.

Fiscal Year	Dollars
2007-2008	\$95,890,146
2008-2009	\$107,235,964
2009-2010	\$134,881,951
2010-2011	\$134,881,951
2011-2012	\$134,881,951
2012-2013	\$134,881,951

From these anticipated annual revenues, the first \$35 million would be directed to revenue sharing. The next \$25 million would be directed to the Transportation Partnership Opportunity Fund. The remainder would be deposited into a newly created account called the Local Congestion Mitigation Fund. The proceeds of this fund will be distributed by the Commonwealth Transportation Board in the form of competitive grants to counties, cities, and towns on the basis of a dollar-for-dollar match by local contributions for the purpose of alleviating traffic congestion and reducing air pollution.

**9. Specific agency or political subdivisions affected:** Virginia Department of Transportation, Department of Motor Vehicles, localities.

**10. Technical amendment necessary:** No.

**11. Other comments:** This bill is similar in nature to a portion of SB 1417.

**Date:** 1/25/07/jlv

**Document:** G:\06-08\07 Budget Development\FIS\HB2257.Doc Janet Vogelgesang

cc: Secretary of Transportation