

## Department of Motor Vehicles 2009 Fiscal Impact Statement

**1. Bill Number:** HB2556

House of Origin      X      Introduced                  Substitute                  Engrossed  
Second House                 In Committee              Substitute                  Enrolled

**2. Patron:**        Ingram

**3. Committee:** Transportation

**4. Title:**         **Special license plates; disabled veterans.**

**5. Summary:** Special license plates; disabled veterans. Amends the definition of "disabled veteran" in § 46.2-100 to allow any veteran who has a service-connected disability that would qualify him for receiving disabled parking license plates to receive disabled veteran license plates.

**6. Fiscal Impact Estimates:** Unknown (See Item 8)

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** The expenditure impact for this bill cannot be estimated at this time. DMV expects a one-time cost to exchange existing disabled parking license plates, from various license plate series, for Disabled Veteran (DV) license plates; however, it is not possible to determine how many of the approximately 1,900 military disabled parking plate holders, or the more than 131,000 other current disabled parking license plate holders, will qualify for and request DV license plates as a result of this bill. Other expenditures as a result of this bill would be minimal. DMV estimates that the provisions of this bill would have no impact on its automated system and would require only updates to Agency procedures, public information, and customer forms.

The revenue impact also cannot be estimated at this time, though a loss of revenue is expected due to an anticipated increase in the number of no-fee vehicle registrations as a result of this bill. This bill would expand the definition of "disabled veterans" eligible for DV plates to include any veteran with a service-connected disability that would qualify the veteran for standard disabled parking plates under Virginia Code § 46.2-731.

DMV currently issues Disabled Veteran (DV) license plates to veterans, or their unremarried surviving spouses, who present an official certification from the VA (U.S. Department of Veterans Affairs, formerly the Veterans Administration) that they have a service-connected disability in one of three categories: (1) the loss of, or loss of the use of, a leg, arm, or hand; (2) blindness; or (3) permanent and total disability. DMV charges no annual registration or license plate fees for these plates.

Disabled parking license plates can be issued to anyone who is certified as being a "person with a disability that limits or impairs his ability to walk or that creates a concern for his

safety while walking," as defined in Virginia Code § 46.2-1240. DMV charges its standard vehicle registration fees for disabled parking license plates.

The VA reports that nearly 112,000 veterans in Virginia have service-connected medical conditions that qualify them as "disabled" under VA definitions. DMV has no information to suggest what percentage of those veterans will qualify for DV plates under this bill. But, if as many as one-half qualify for and obtain DV plates under this bill, the Commonwealth would lose approximately \$2 million in annual vehicle registration fees, most of which fund local road construction, repair, and maintenance, as well as the agencies of the Transportation Secretariat and the Department of Health.

As of December 2008, there were more than 5,000 active DV plate registrations and more than 133,000 other disabled parking license plate registrations. DMV expects the number of DV plate registrations to increase initially due to existing disabled parking license plate holders exchanging their current plates for DV plates, but recognizes that the significant veteran population of the Commonwealth could contribute to a marked increase in new registrations and exchanges of non-disabled parking license plates. At this time, however, DMV does not have enough information to comfortably estimate the revenue impact of the expected increase.

- 9. Specific Agency or Political Subdivisions Affected:** Vehicle registration fees help fund the following agencies: Department of Motor Vehicles, Department of Transportation, Department of Rail and Public Transportation, Department of Aviation, Virginia Port Authority, Department of State Police, and Department of Health.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

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