

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** SB776

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

**2. Patron:** Marsh

**3. Committee:** Transportation

**4. Title:** DMV offices and agencies; agreements with commissioner of the revenue, treasurers, or localities.

**5. Summary:** This bill provides that in any county, city, or town that does not have either a branch office or an automated agency, the Commissioner shall, upon request of any commissioner of the revenue, treasurer, or local governing body, jointly or separately, enter into an agreement with such commissioner of the revenue, treasurer, or local governing body, to act as an agent of the Commissioner and maintain a branch office.

**6. Budget Amendment Necessary:** No.

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

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2011	-	-	-
2012	\$10,080,000	-	NGF
2013	\$10,080,000	-	NGF
2014	\$10,080,000	-	NGF
2015	\$10,080,000	-	NGF
2016	\$10,080,000	-	NGF
2017	\$10,080,000	-	NGF

**8. Fiscal Implications:** There would be no information technology resources required to implement this legislation.

The Department of Motor Vehicles (DMV) currently partners with 57 DMV Select agents operating throughout the Commonwealth. Of these, 17 are private entities and 10 are localities. The remaining Selects are comprised of either commissioners of the revenue or treasurers. DMV Selects cannot process driver's licenses, learner's permits, or identification cards. They can do vehicle titles and registrations, license plates, trip permits and overload permits, issuance of handicapped parking placards, and other miscellaneous transactions. Though payment to DMV Selects is fee-based according to how much is collected, the average cost to DMV for each Select operated by a constitutional officer is \$45,000 per year.

If each commissioner of the revenue, treasurer, or local governing body, jointly or separately, in those counties, cities, or towns that do not have either a branch office or an automated agency were to request to establish one, an additional 224 offices would be opened throughout the Commonwealth.

The cost would exceed \$10 million annually should all 224 offices open. Since no new revenues would be generated, these expenditures would have to be paid directly from DMV's current resources. The extent of these new expenditures could result in the agency having to close or reduce its operations around the state.

Additionally, a significant increase in Select locations could equate to moving customers out of DMV's more efficient and cost effective service delivery options (the internet and telephone means of service delivery).

**9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles, any locality or locally elected constitutional officer who requests to open a DMV Select office.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None.

**Date:** 1/19/11

**Document:** G:\10-12\2011\FIS\SB776.Doc Janet Vogelgesang

cc: Secretary of Transportation