

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB806

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

2. Patron: May

3. Committee: Transportation

4. Title: Overweight vehicle permits and fees

5. Summary: The proposed legislation would provide a uniform fee structure for permits on overweight vehicles. Currently, codified fee amounts vary by vehicle type. The bill would authorize single trip permits or annual permits and charge fees based on the weight of the vehicle. The funding generated is to be deposited in the Highway Maintenance and Operating Fund (HMOF), with a portion to be retained by the Department of Motor Vehicles (DMV) for administrative costs. The bill also allows cities, towns and counties that maintain secondary streets to enter into an agreement with DMV to issue permits on behalf of the locality. The bill contains an effective date of January 1, 2013.

6. Budget Amendment Necessary: None.

7. Fiscal Impact Estimates: Preliminary.

7a. Revenue Impact:

Fiscal Year	<u>DMV</u>	<u>HMOF</u>	<u>Total</u>
FY13	\$137,390	\$4,796,940	\$4,934,330
FY14	\$127,502	\$4,551,096	\$4,678,598
FY15	\$118,481	\$4,320,384	\$4,438,865
FY16	\$118,481	\$4,320,384	\$4,438,865
FY17	\$118,481	\$4,320,384	\$4,438,865
FY18	\$118,481	\$4,320,384	\$4,438,865

8. Fiscal Implications: *This fiscal impact statement has been revised to show the expenditure impact on the Department of Motor Vehicles.*

The proposed legislation would equalize the fee structure for overweight vehicle permits. The additional revenue charged would compensate the Commonwealth for the additional wear on state highways caused by overweight vehicles. Since maintenance needs currently exceed revenues in the HMOF, funding is transferred from the construction program. Therefore, any additional funding deposited in the HMOF will in turn provide funding for

highway construction projects. DMV would incur a one-time expense of \$235,000 to modify the agency's systems to accommodate the new permit structure and process improvements. The expenditure can be absorbed by the agency's revenues.

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

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 2/6/2012 dpb/smc

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