

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** HB2042

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** May

**3. Committee:** Transportation

**4. Title:** DMV; customer service

**5. Summary:** This bill modifies requirements for (i) release by the Department of Motor Vehicles (DMV) of vehicle title information, (ii) automated electronic payments to the DMV, (iii) temporary motorcycle operator licenses and (iv) deactivation, extension, and reactivation of vehicle registration.

The bill has an enactment date of July 1, 2013 except for the provisions relating to deactivation, extension, and reactivation of vehicle registration (§ 46.2-646.1 and § 46.2-646.1) which become effective January 1, 2014.

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

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

**8. Fiscal Implications:** The Department of Motor Vehicles' information technology staff will have to develop the systems needed to implement the legislation and procure services from a third-party vendor to provide secure storage of customer financial information. The cost of such services is estimated not to exceed \$200,000 annually.

By using automated renewals, the agency expects to save money on postage and processing of renewal notices, although the exact amount of savings cannot be determined.

In addition, provisions of this bill will allow the agency to generate revenue from the \$10 fee for the reactivation of license plates and from the \$10 fee for a 30 day extension for emissions inspection. It is expected that the combination of savings and revenue from these new services would offset the expense to implement and support the components of this bill on an ongoing basis.

**9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles, Department of Environmental Quality, Virginia State Police.

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

**11. Other Comments:** None.

**Date:** 1/16/13

**Document:** Janet Vogelgesang G:\12-14\2013\FIS\HB2042.docx

c: Secretary of Transportation