

Department of Planning and Budget

2013 Fiscal Impact Statement

1. **Bill Number:** SB771

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Wagner

3. **Committee:** Transportation

4. **Title:** Number and display of vehicle license plates

5. **Summary:** This bill reduces the number of license plates furnished by the Department of Motor Vehicles (DMV) to registered motor vehicles from two to one and requires the single license plate to be attached to the rear of the vehicle.

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

7. **Fiscal Impact Estimates:** Preliminary.

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2013 | \$13,000 | - | NGF |
| 2014 | (\$1,833,726) | - | NGF |
| 2015 | (\$1,833,726) | - | NGF |
| 2016 | (\$1,833,726) | - | NGF |
| 2017 | (\$1,833,726) | - | NGF |
| 2018 | (\$1,833,726) | - | NGF |
| 2019 | (\$1,833,726) | - | NGF |

8. **Fiscal Implications:** Requiring only one license plate will result in a reduction in DMV costs due to fewer license plates and decals. DMV purchases plates from the Department of Corrections (DOC). The impact on DOC would primarily relate to reduced raw material expenditures, with a negligible impact on Correctional Enterprise operations. Based on data from a 2012 license plate study, the estimated annual expenditure reduction attributable to the bill would be \$1,833,726 per year. A one-time information systems expenditure of \$13,000 is estimated in FY 2013 for programming to support the provisions of this bill.

9. **Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles, Department of Corrections/Virginia Correctional Enterprises.

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

11. **Other Comments:** None.

Date: 1/4/13

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c: Secretary of Transportation