

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB754

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

2. Patron: Carrico

3. Committee: Transportation

4. Title: Vehicle registration; increases fees, allocates funds for Department of State Police.

5. Summary: The proposed legislation raises the vehicle registration fee an additional \$1.25 per year on each July 1 from 2015 through 2024 and allocates the funds to the Department of State Police.

6. Budget Amendment Necessary: Yes. Item 414.

7. Fiscal Impact Estimates: Tentative. See 7b.

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2015	0	NGF (non-general)
2016	9,428,353	NGF
2017	19,177,270	NGF
2018	29,254,926	NGF
2019	39,669,680	NGF
2020	50,430,080	NGF
2021	61,544,870	NGF

8. Fiscal Implications:

The proposal annually increases the motor vehicle registration fee on each vehicle type as listed in § 46.2-694 Code of Virginia by \$1.25. The revenue collected from the additional fee is to be allocated to the Department of State Police (Department). The proposed \$1.25 fee is to be compounded annually each year from 2015 through 2024. The table below lists the inspection fee in respective fiscal years:

FY 2016 \$1.25
FY 2017 \$2.50
FY 2018 \$3.75
FY 2019 \$5.00
FY 2020 \$6.25
FY 2021 \$7.50

FY 2022 \$8.75
FY 2023 \$10.00
FY 2024 \$11.25
FY 2025 \$12.50

The estimated annual revenue from the additional motor vehicle registration fee is based on the fee dollar amount in the respective fiscal multiplied by the projected number of vehicles to be registered in that year. The calculations also reflect a 2 percent annual projected increase in the number of vehicles to be registered.

Under the current vehicle inspection fee schedule as outlined in § 46.2-1168, the Department has been collecting \$1.50 from each vehicle registered. In FY 2014, \$11.3 million in registration fees revenue was transferred to the Department from the Department of Motor vehicles; and as of June 30, 2014, there were 7.88 million registered vehicles in the Commonwealth.

According to the Department of General Services, the bill is not expected to impact state-owned vehicles.

9. Specific Agency or Political Subdivisions Affected: Department of State Police, and the Department of Motor vehicles.

10. Technical Amendment Necessary: None.

11. Other Comments: None.

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