

Department of Planning and Budget 2016 Fiscal Impact Statement

1. **Bill Number:** HB943

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

2. **Patron:** Wilt

3. **Committee:** Transportation

4. **Title:** Lost certificate of title to motor vehicle, manufactured home, trailer, or semitrailer

5. **Summary:** This bill requires the Department of Motor Vehicles (DMV) to investigate the circumstances of a lost certificate of title when an applicant for registration of a motor vehicle, manufactured home, trailer, or semitrailer is unable to present a certificate of title. It requires the DMV to issue the title once it is satisfied the applicant is entitled to the title. Under current law, the agency is permitted to investigate such circumstances and issue a new title but is not required to do so.

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

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

8. **Fiscal Implications:** The Department of Motor Vehicles (DMV) ensures that titles are properly issued. The time it takes to do so varies, but is more time consuming when there is no title, requiring the applicant to file an Affidavit in Lieu of Title.

Applications accompanied by an Affidavit in Lieu of Title can be processed either at a Customer Service Center (“CSC”) or at DMV Headquarters. Applications processed at CSCs are typically not subject to a thorough investigation, but are granted over the counter if the applicant has sufficient proof of ownership to satisfy DMV staff that he or she is the owner of the vehicle or trailer he seeks to title. In contrast, many applications processed at headquarters require a thorough investigation before a title can be issued.

In FY 2014, DMV processed 71 percent of Affidavit in Lieu of Title applications at CSCs, with 1,481 applications processed at Customer Service Centers (“CSC”) and 592 at DMV headquarters. In FY 2015, 79 percent of applications were processed at CSCs, 3,961 applications at CSCs and 1,075 applications at headquarters. Although volumes of applications fluctuate each year, DMV has consistently been able to issue the vast majority of applications without resorting to an in-depth investigation.

Applications processed at headquarters often require extensive investigations, with applications for manufactured homes being among the most complicated investigations to complete. For those applications which must be processed at headquarters, the average cost is estimated at \$60. However, if this bill were to require DMV to investigate the 70 to 80 percent of applications which are currently handled at the CSCs, the agency could be heavily impacted by the volume of additional applications. The number of additional investigations this bill will require cannot be estimated.

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

10. Technical Amendment Necessary: No

11. Other Comments: None.

Date: 1/21/16

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c: Secretary of Transportation