

# Department of Planning and Budget

## 2017 Fiscal Impact Statement

**1. Bill Number:** SB1101

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

**2. Patron:** Newman

**3. Committee:** Transportation

**4. Title:** Filing and application fees for transportation network companies.

**5. Summary:** This bill allows transportation network companies two fee options when applying for an original or renewal of a certificate. A transportation network company may either pay the existing certificate fees of \$100,000 upon application and \$60,000 for renewal or pay a \$20 surcharge per record when purchasing a driver transcript in addition to the current transcript fee.

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

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

**8. Fiscal Implications:** The Department of Motor Vehicles (DMV) will incur a one-time expenditure of \$68,897 for system changes to implement this legislation. DMV would be able to absorb this cost within its existing resources assuming other legislative proposals with fiscal implications to DMV do not pass. DMV's current fiscal outlook precludes funding the cumulative burden of implementing the programming requirements of multiple pieces of legislation without improved revenue streams.

The amendment in the engrossed bill is clarifying in nature. The bill provides an alternative fee structure for Transportation Network Companies (TNCs). The intent of the bill was to permit TNCs to pay the \$100,000 application fee, plus a \$60,000 annual renewal fee, or the alternate structure set forth in the bill. The amendment simply seeks to clarify that TNCs can choose which fee structure they wish to pay. The new fee structure may entice new TNCs to begin operations in Virginia. The surcharge on the driver transcript may make entry into the Virginia market easier for smaller operators who may not have been able to pay the current fee of \$100,000 upon application and \$60,000 annually for renewal. Any such revenue cannot be determined at this time; however, DMV feels that the surcharge will cover the costs of any such new operations.

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

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

**11. Other Comments:** None.

**Date:** 1/30/2017

**Document:** Janet Vogelgesang G:\16-18\FIS 2017\SB1101E.docx

cc: Secretary of Transportation