

Department of Planning and Budget Fiscal Impact Statement

1. Bill Number: SB1456

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

2. Patron: Wagner

3. Committee: Finance

4. Title: Motor vehicle fuels; sales tax in certain transportation districts, price floor.

5. Summary: This bill places a floor on the 2.1 percent tax imposed on motor vehicle fuels sold in Northern Virginia and Hampton Roads by ensuring that the tax is not imposed on a sales price less than the statewide average sales price on February 20, 2013, which is the date used as a floor on the statewide motor vehicle fuels sales tax.

6. Budget Amendment Necessary: Yes, Item 456. An appropriation adjustment should be reflected in service area 60706, Distribution of Northern Virginia Transportation Authority Fund Revenues, and 60707, Distribution of Hampton Roads Transportation Fund Revenues.

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

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2017	-	-
2018	26,500,000	Northern Virginia*
2019	37,300,000	Northern Virginia
2020	36,700,000	Northern Virginia
2021	36,200,000	Northern Virginia
2022	35,400,000	Northern Virginia

** Northern Virginia Transportation District; Potomac and Rappahannock Transportation Commission*

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2017	-	-
2018	14,100,000	Hampton Roads
2019	19,900,000	Hampton Roads
2020	19,600,000	Hampton Roads
2021	19,300,000	Hampton Roads
2022	18,900,000	Hampton Roads

8. Fiscal Implications: The revenue impact estimate for FY 2018 reflects a 10-month effect. The additional funding would be remitted to the region through the existing process.

The Department of Motor Vehicles (DMV) estimates that it will need to expend between \$55,000 and \$60,000 in FY 2017 for its vendor to make the systems changes required to implement the provisions of this legislation. These costs can be absorbed within existing resources. The Department estimates that the agency staff hours required for implementation could be accomplished during the normal work schedules for DMV employees, given current workloads.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles, Department of Transportation, localities in the Northern Virginia Transportation District and Hampton Roads area where the tax is imposed.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/24/2017

Document: Janet Vogelgesang G:\16-18\FIS 2017\SB1456.docx

Cc: Secretary of Transportation