

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB291

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: McClellan

3. Committee: Transportation

4. Title: Department of Motor Vehicles; electronic services.

5. Summary: This bill codifies existing budget language in Item 442 A. of Chapter 836, 2017 Acts of Assembly, that authorizes the Department of Motor Vehicles to establish, where feasible and cost efficient, contracts with public-private partnerships to provide for simplification and streamlining of services through electronic means. The bill codifies electronic services that the Department of Motor Vehicles has created pursuant to existing budget authority to provide simple, fast, efficient, and secure titling and registration of vehicles for customers and lienholders.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: The Department of Motor Vehicles (DMV) has determined that implementing this legislation will not result in an expenditure increase for the agency.

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

10. Technical Amendment Necessary: No.

11. Other Comments: One example of such simplification and streamlining of services attributable to this language can be found in improvements being made to the Electronic Lien Program (ELP). DMV anticipates an annual cost savings of \$75,000 by eliminating the use of American Association of Motor Vehicle Administrators (AAMVA) software for the ELP. In eliminating use of this software, DMV began receiving fees directly from vendors, instead of vendors paying AAMVA. Vendors are charged a reasonable fee at market rates per transaction. Currently, vendors for the ELP are charged \$0.45 for non-prime regular transactions and \$0.90 for prime or emergency transactions. DMV anticipates new monthly revenues from ELP in the amount of \$23,000.

Date: 1/15/2018

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c: Secretary of Transportation