

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB84

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: Black

3. Committee: Transportation

4. Title: Temporary registration of fleet vehicles

5. Summary: This bill provides that the Department of Motor Vehicles may issue to fleet logistics providers, defined in the bill, a temporary registration for certain fleet vehicles. The bill requires that such temporary registration expire on receipt of permanent license plates from the Department or another jurisdiction, or 30 days from issuance, whichever occurs first.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: This bill would require minor information technology changes to the print-on-demand program to allow for these types of plates. Overall, the Department of Motor Vehicles (DMV) anticipates that this will cost approximately \$32,880. DMV will also be required to provide a print-on-demand compatible paper to any business that wants to participate in this program. There will be auditing costs to ensure that proper documentation is being required and stored. The Department anticipates that there will also be costs associated with drafting and approving agreements for these businesses. However, because the bill allows the Department to charge a reasonable fee for participating in the program, the Department anticipates that these costs will be covered by such fees.

Violations of the provisions applicable to the use of print-on-demand technology constitute a Class 1 misdemeanor. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in jail population will increase costs to the state. The Commonwealth presently pays the localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail. It also funds a large portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2017), the estimated total state support for local jails averaged \$34.58 per inmate, per day in FY 2016.

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

10. Technical Amendment Necessary: Though lines 31-32 and lines 58-60 of the bill indicate that DMV would be authorized to charge a reasonable fee, in order to ensure that DMV will be able to retain these fees, consideration may be given to amending the bill to include the following language: “The Department is authorized to charge a reasonable fee for the temporary registration applied for under this Section and any fees collected by the Department pursuant to this Section shall be transferred to a special fund in the state treasury used to meet the expenses of the Department.”

11. Other Comments: None.

Date: 1/15/2018

Document: Janet Vogelgesang G:\18-20\FIS 2018\SB84.docx

c: Secretary of Transportation