

Department of Planning and Budget
2021 Fiscal Impact Statement
Special Session 1

1. **Bill Number:** HB1796ER

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

2. **Patron:** Walker

3. **Committee:** Passed both houses.

4. **Title:** License plates, special; removes fee for issuance to Va. National Guard retirees.

5. **Summary:** This bill removes the fee for the issuance of a special license plate for retired members of the Virginia National Guard. Currently, such special license plates cost the same as the prescribed cost for a typical Virginia license plate.

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

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

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021	\$10,113	-	DMV Special Fund

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2021	-	-
2022	(\$14,606)	NGF
2023	(\$14,606)	NGF
2024	(\$14,606)	NGF
2025	(\$14,606)	NGF
2026	(\$14,606)	NGF
2027	(\$14,606)	NGF

8. **Fiscal Implications:** This bill would exempt retirees of the Virginia National Guard from paying annual registration and license plates fees for Virginia National Guard Retiree plates. There are currently 475 of these plates in circulation in Virginia. Retirees pay standard registration fees for their plates. Section 46.2-746.5 of the Code of Virginia authorizes the issuance of special license plates for National Guard Retirees. Currently, the fees prescribed for this special plate are controlled by § 46.2-694, which establishes the fees for all license plates within the Commonwealth. Additionally, the ability for Virginia National Guard Retirees to obtain this special plate for free may entice additional retirees to obtain this plate. Any additional plates obtained and the resulting revenue losses cannot be determined at this time.

Annual vehicle registration fees support statewide transportation funding, certain emergency medical services programs, Virginia State Police's vehicle safety inspection program, and Department of Motor Vehicles (DMV) operations. The revenue impact from foregoing registration fees on the 475 active National Guard Retiree plates would be:

Agency	Registration Fee	Revenue Loss
VDOT	\$18.49	\$8,783
DMV	\$4.51	\$2,142
EMS	\$6.25	\$2,969
State Police	\$1.50	\$713
Total	\$30.75	\$14,606

Although it is unclear at this time, the bill may also exempt the Virginia National Guard retirees from the additional \$10 personalization fees. Currently, 112 of the 475 Virginia National Guard Retiree special plates are personalized, representing \$1,120 in direct revenue for DMV.

According to the Department of Motor Vehicles, this bill will also require system programming changes costing \$10,113. The 240 staff hours required to implement this legislation can be accomplished during the normal work schedules for DMV employees, given current workloads.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles, Virginia Department of Transportation, Virginia Department of Health, Virginia State Police.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.