

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB733

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: Ruff

3. Committee: Transportation

4. Title: Exempted vehicles; insurance.

5. Summary: This bill requires motor vehicles, trailers, and semi-trailers exempted from the registration requirement to be covered by motor vehicle insurance or an umbrella or excess insurance policy. The bill requires the owner of any such motor vehicle, trailer, or semi-trailer to provide proof of insurance within 30 days when requested by a law-enforcement officer and provides that failure to do so is punishable as a traffic infraction by a fine of \$600 to be paid into the Uninsured Motorists Fund.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: Currently, § 46.2-684.1 indicates that if a motor vehicle, trailer, or semi-trailer exempt from motor vehicle registration requirements under Article 6 (§ 46.2-662 et seq.) of Chapter 6 of Title 46.2 of the Code of Virginia is insured under a policy other than a policy of motor vehicle insurance, the insurance policy is not required to comply with the provisions of Chapter 22 (§ 38.2-2200 et seq.) of Title 38.2 of the Code of Virginia that relate to the ownership, maintenance, or use of the exempt motor vehicle, trailer, or semi-trailer.

This bill would change the law by requiring all motor vehicles exempt from registration under the article to be insured and to submit proof of insurance when required by law enforcement. The bill allows the insurance requirement to be met by either a motor vehicle insurance policy, or by an umbrella or excess insurance policy.

The Department of Motor Vehicles does not anticipate a fiscal impact on the agency from this legislation. Any additional revenues paid into the Uninsured Motorists Fund due to the \$600 fine for not having insurance is indeterminate.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.