

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: HB840

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

2. Patron: Austin

3. Committee: Transportation

4. Title: Special license plates; 250th anniversary of the American Revolution.

5. Summary: Authorizes the issuance of revenue-sharing special license plates marking the 250th anniversary of the American Revolution. The bill provides that the prepaid application requirements for special license plates shall not apply to such plates, that the provisions of the bill expire on July 1, 2032, that such plates shall not be newly issued on or after such date, and that such plates may continue in use for a period of time determined by the Commissioner of the Department of Motor Vehicles.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary, see item 8.

8. Fiscal Implications: The direct cost for DMV to design and develop a specialty plate is approximately \$6,500, but there are significant indirect costs that are not properly quantifiable, such as inventory carrying costs. Typically, DMV recoups these costs over two to three fiscal years from the initial 450 prepaid applications and subsequent renewals.

This bill exempts these plates from the prepaid applications requirement in § 46.2-725, Code of Virginia. The requirement for 450 applications ensures there is sufficient demand to justify the expense of developing the plate and producing the first run of 500 sets. Without the preorder requirement, DMV could expend resources to sell a limited number of plates and may not recoup the agency costs.

In addition, the bill will provide an indeterminate amount of funding to the Virginia American Revolution 250 Commission. An amount of \$15 out of every \$25 fee per plate issued will be deposited to the Virginia American Revolution 250 Commission Fund to support the Commission's operations and programs.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles, Virginia American Revolution 250 Commission.

10. Technical Amendment Necessary: No.

11. Other Comments: This is a companion bill to SB216.