

**Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement**

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REVISED

Bill Number: HB2724 **Patron:** Herring
Bill Title: Use of automatic license plate recognition systems; reports; penalty.

Bill Summary: Requires the Division of Purchases and Supply of the Department of General Services (the Division) to determine and approve the automatic license plate recognition systems, defined in the bill, for use in the Commonwealth and provides requirements for use of such systems by law-enforcement agencies. The bill limits the use of such systems by law-enforcement agencies to the following purposes: (i) as part of an active criminal investigation; (ii) as part of an active investigation related to a missing or endangered person, including whether to issue an alert for such person, or a person associated with human trafficking; or (iii) to receive notifications related to a missing or endangered person, a person with an outstanding warrant, a person associated with human trafficking, a stolen vehicle, or a stolen license plate. The bill provides that a law-enforcement agency must obtain a permit from the Department of Transportation in accordance with regulations of the Commonwealth Transportation Board before installing an automatic license plate recognition system on a state right-of-way.

The bill requires annual reports from law-enforcement agencies using such systems that provide de-identified information concerning the use of the systems and by the State Police aggregating such information statewide. The bill also requires a law-enforcement officer or State Police officer to collect data on whether a stop of a driver of a motor vehicle or stop or temporary detention of a person was based on a notification from an automatic license plate recognition system.

Except for the provisions requiring the Division to determine and approve automatic license plate recognition systems for use in the Commonwealth, the bill has a delayed effective date of January 31, 2026. The bill requires the Division, in consultation with the Virginia Information Technologies Agency, to determine such systems for use in the Commonwealth and publicly post a list of such systems by January 1, 2026. This bill is a recommendation of the Virginia State Crime Commission.

Budget Amendment Necessary: Yes **Items Impacted:** Item 415, Virginia State Police
Explanation: Budget amendment is needed for an analyst to manage the data collection of stops related to Automatic License Plate Reader (ALPR) systems as directed in the bill. Certain changes would need to be made to the Incident Based Reporting (IBR) database to capture demographic information of anyone stopped for ALPR technology purposes.

Fiscal Summary: Virginia State Police (VSP) indicates a general fund fiscal impact in Item 415 of \$318,251 in FY26 and \$201,878 from FY27-FY30 due to the need of an analyst to manage data collection and systems required by the legislation, in addition to working with other law enforcement agencies on data collection and training related to ALPR.

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General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
156		\$318,251.00	\$201,878.00	\$201,878.00	\$201,878.00	\$201,878.00
TOTAL		\$318,251.00	\$201,878.00	\$201,878.00	\$201,878.00	\$201,878.00

Position Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
156		1.00	1.00	1.00	1.00	1.00
TOTAL		1.00	1.00	1.00	1.00	1.00

Fiscal Analysis: Virginia State Police (VSP) indicate the need for an ALPR data collection analyst (“Agency Management Analyst Senior”) with an annual general fund personnel estimate of \$136,452, inclusive of salary, fringes, office space, furniture, and IT hardware costs. The \$110,000 of one-time costs indicated by in FY26 are attributable to IT Vendor updates--\$75,000 needed to update the Community Policing Act (CPA) repository and \$35,000 needed to make updates to the Incident Based Reporting (IBR) database.

In CPA, VSP would need to add an LPR indicator and LPR usage field that collects demographic information of persons stopped. IBR would need an additional data element “Arrest Characteristics”, which would also collect demographic information on the arrestee. Localities must also update their data collection systems for both changes. The furniture cost and IT hardware costs for the new position are also one-time in nature.

The Department of General Services and the Virginia Department of Transportation indicate no fiscal impact from the provisions of this bill. While the bill stipulates a class I misdemeanor for misuse of Automatic License Plate Reader (ALPR) data, there are a limited number of ways data may be misused. Therefore, Virginia Criminal Sentencing Commission (VCSC) indicates a minimal fiscal impact from an increase in local jail populations due to violations of the class I misdemeanor.

Other: The revised FIS has the correct GF expenditure totals for FY27-FY30. Previously, the “Total” row read the FY26 GF expenditure total from FY27-FY30.