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

PUBLISHED: 1/31/2025 2:02 PM **ORIGINAL**

Bill Number: HB 2080E **Patron:** Austin
Bill Title: Registration decals; discontinued.

Bill Summary: This bill discontinues the requirement for and issuance of decals displaying the expiration month and year of motor vehicle registration to be displayed on license plates. The bill also removes the requirement for the Department of Motor Vehicles to issue appropriately designated license plates for motor vehicles held for rental. The bill does not eliminate existing requirements that vehicles are to be registered. The bill has a delayed effective date of July 1, 2026.

Budget Amendment Necessary: No. **Items Impacted:** N/A
Explanation: N/A

Fiscal Summary: Potential savings at the Department of Motor Vehicles generated from implementation of this bill would be redeployed within the agency to fulfill other mission-critical functions. The Virginia State Police does not anticipate a fiscal impact.

Fiscal Analysis: DMV produces approximately 18 million decals annually. Material costs for printing have a total cost of $900,000. There are five positions involved in the production of license plate decals. The yearly total for salary and benefits for those five positions is approximately $325,000. DMV also spends about $1,127,192 to mail decals to customers who have renewed registrations online. DMV will need to mail fewer registration cards and no decals to customers as part of the renewal process (registration cards can be printed at home on regular printer paper but some customers may lack internet access or printers.) The total potential savings is approximately $2.3 million annually from nongeneral funds. DMV will redirect these funds and positions to support other mission-critical functions.

Other: This bill is a companion to SB 1061.