

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1009

Bill Subtitle: TO REVISE THE QUALIFICATIONS FOR ISSUANCE OF A SPECIAL LICENSE PLATE TO DISABLED VETERANS.

Basic Change :

Rep. Altes

Under current law a disabled Veteran with a service connected injury must be 100% disabled to obtain a special disabled veteran license plate costing \$1. HB1009 provides that veterans who are at least 30% disabled and are lifetime members of "Disabled American Veterans" will also will eligible for the disabled veteran license plate at the \$1 fee. Currently, disabled veterans who are not 100% service connected disabled pay the regular vehicle registration fee which varies between \$19.75 and \$32.70, based on the type of vehicle.

The bill defines "Disabled American Veterans" to mean the nonprofit charitable organization by that name for disabled military veterans that is exempt from taxation under 26 U.S.C § (501)(c)(4).

Under current law, a 100% disabled veteran who has a vehicle registered with a disabled veteran plate is eligible to park in spaces reserved for persons with disabilities. Since veterans with less than 100% disability would be eligible for a disabled veteran plate, law enforcement could experience difficulty in distinguishing whether a veteran parked in a reserved space is in violation due to less than 100% disability. Therefore, a designation on the plate, such as decals, would be necessary to indicate less than 100% disability.

Revenue Impact :

Up to \$250,000 annual decrease in revenues for the Highway and Transportation Department.

Taxpayer Impact :

Veterans with service connected injuries that are at least thirty percent (30%) disabled and are lifetime members of the Disabled American Veterans would be eligible for a disabled veteran license plate.

Resources Required :

An unknown additional amount of disabled veteran license plates would be needed, depending on the number of additional veterans who would qualify for and obtain the plate under the new criteria.

Time Required :

Ninety (90) days after adjournment.

Procedural Changes :

Develop method to obtain proof of eligibility from veterans who are eligible to obtain a disabled veteran license plate under the new criteria. Program the motor vehicle computer system to track disabled veteran plates issued under the new criteria. Update the Motor Vehicle Procedures Manual and distribute updates to Revenue Offices.

Legal Analysis :

HB1009 amends the definition of a "disabled veteran" to allow additional persons to qualify for a

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disabled veteran license plate.

Currently, in order to qualify for a plate, the disabled veteran must:

- meet state residency requirements,
- have been determined by the US Department of Veterans Affairs (USDAV) to be a totally and permanently disabled service-connected veteran, and
- either own a motor vehicle used by or for the veteran, or have been issued a motor vehicle by USDAV.

This bill adds a new category of disabled veteran to those allowed a disabled veteran license plate, provided the veteran meets the following conditions:

- The veteran must continue to meet the state residency and determination by USDAV that the person is a disabled service-connected veteran.
- However, the person qualifies if the veteran: is at least 30% disabled (is not required to be totally and permanently disabled), is a lifetime member of Disabled American Veterans, and owns a motor vehicle that is used by or for the veteran.

HB1009 defines "Disabled American Veterans" to mean "the entity known by that name that is a nonprofit charitable organization for disabled military veterans and that is exempt from taxation under 26 U.S.C. § 501(c)(4)." One concern of this definition is that the bill does not designate the version of 26 U.S.C. § 501(c)(4) HB1009 intends to adopt or refer to by reference (e.g., 26 U.S.C. § 501(c)(4), as in effect on January 1, 2013).

HB1009 does not contain an effective date or an emergency clause and would be effective 90 days following adjournment.