

Department of Finance and Administration

Legislative Impact Statement

Bill: HB2247

As Engrossed: 3/21/2013

Bill Subtitle: TO AMEND THE REQUIREMENTS FOR ISSUANCE OF A SPECIAL LICENSE PLATE TO DISABLED VETERANS.

Basic Change :

Representative Barnett

The bill as engrossed 3/21/13 adds a new definition to current law, for "Disabled American Veterans", to mean the entity known by that name that is a nonprofit charitable organization for disabled military veterans and is exempt from taxation under 26 U.S.C. § 501(c)4. Under current law "disabled veteran" is defined in that part of state law pertaining to reserved parking spaces for persons with a disability and the section pertaining to issuance of disabled veteran license plates. Current law provides that veterans who have been issued a disabled veteran license plate may park in spaces reserved for the disabled. The current definition requires that a disabled veteran with service connected injuries must be one hundred percent (100%) disabled to obtain the plate. The bill as engrossed changes the definitions of veterans with service connected injuries, from a veteran who is one hundred percent (100%) disabled to also include veterans who are at least thirty percent (30%) disabled, and are lifetime members of "Disabled American Veterans". As a result of the change in definitions, veterans with service connected injuries who are at least thirty percent (30%) disabled may obtain a disabled veteran license plate. Such veterans may also use parking spaces reserved for persons with a disability.

Under current law, a disabled veteran who is 100% disabled may obtain a special license plate costing \$1. This bill provides that veterans who are at least 30% disabled and who are members of the Disabled American Veterans organization will also be eligible for the \$1 license plate. Those veterans who are disabled to a percentage of at least 30% but not 100% and who are members of the Disabled American Veterans organization must currently pay the regular vehicle registration fee which varies between \$19.75 and \$32.70.

Revenue Impact :

Unknown decrease in revenues to the Highway and Transportation Department, depending on the additional number of disabled veterans that are eligible for a disabled veteran plate at the reduced one-dollar (\$1.00) fee, under the new criteria. Some additional veterans who would become eligible under the new criteria would already be eligible for a reduced fee military plate under current law. The revenue loss would be created with issuance of reduced fee plates to veterans who would become eligible under the new criteria, but who are not eligible for a reduced fee military because they have not served in a war on conflict authorized under current law, nor eligible for a disabled veteran plate because of the current 100% eligibility requirement; these additional veterans would be eligible to register two vehicles they own at the reduced fee when currently they must pay the regular fee for both vehicles.

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 at a reduced

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.

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Time Required :

Adequate time is provided with the January 1, 2014 effective date.

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.

Other Comments :

None

Legal Analysis :

HB2247 amends the requirements for issuance of special license plates to disabled veterans. This bill amends the definition of a "disabled veteran" to allow additional persons to qualify for a 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 (USDVA) 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 USDVA.

This bill amends Ark. Code Ann. § 27-24-203 to add a new category of disabled veteran allowed a disabled veteran license plate. A disabled veteran under the new category must continue to meet the state residency and determination by USDVA that the person is a disabled service-connected veteran. Further qualifications for this category are that the veteran must be at least 30% disabled (and therefore not required to be totally and permanently disabled), be a lifetime member of Disabled American Veterans, and own a motor vehicle that is used by or for the veteran. The bill also amends Arkansas law concerning parking privileges for disabled persons to allow veterans under the new category of disabled veteran to park in disabled parking places. Currently, only veterans who are 100% disabled may park in these areas. Under the bill, veterans with less than a 100% disability would be afforded the same parking privileges.

The bill defines the term "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)." However, there is no place currently in the Arkansas Code or in the bill that makes any reference to "Disabled American Veterans."

The bill lists an effective date of January 1, 2014.