


Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Philip H. Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** September 27, 2012

**SUBJECT:** Fiscal Impact Statement – “Motorized Bicycle Amendment Act of 2012”

**REFERENCE:** Draft Bill as shared with the Office of Revenue Analysis on August 30, 2012

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**Conclusion**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

**Background**

Currently motorized bicycles<sup>1</sup> and their operators in the District are subject to registration, inspection, licensing, and insurance requirements. Fees are \$30 for registrations and \$25 for inspections.

The bill eliminates insurance, inspection, registration and licensing requirements for motorized bicycles, but imposes more regulations on motor driven cycles. The bill’s new definition for motor driven cycles is expanded to include many of the technical components previously considered as motorized bicycles;<sup>2</sup> thus some vehicles considered as motorized bicycles under current law would be considered motor driven cycles under the bill, and thus continue to be subject to licensing, registration, and inspection requirements.

Additionally, the bill amends or enhances District regulations to substitute motor driven cycles for motorized bicycles in regulations related to displaying vehicle tags, affixing inspection and

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<sup>1</sup> As defined in District Municipal Regulations Title 18 (18 DCMR § 9901).

<sup>2</sup> Technical components include an automatic drive system, piston or rotor displacement of no more than 50 cubic centimeters, and having 2 or 3 wheels.

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registration stickers, safety, parking, and passenger requirements, and other mechanical requirements for regulated vehicles.<sup>3</sup>

### **Financial Plan Impact**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

While eliminating the registration and licensing fees on motorized bicycles could reduce revenues, the amount is expected to be minimal. For example the average registration revenue from motorized bicycles was \$1,170 per year over the last three fiscal years. Additionally, some of these losses would be offset by a broader definition of motor driven bicycles, which would continue to be subject to license and registration requirements.

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<sup>3</sup> Some mechanical requirements, such as lighting and braking requirements still apply to motorized bicycles.