

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATURE 1st CALLED SESSION - 2003

July 18, 2003

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB21 by Ogden (Relating to the financing, construction, improvement, maintenance, and operation of toll facilities by the Texas Department of Transportation and the disposition of money generated by the driver responsibility program, fines imposed for certain traffic offenses, and certain fees collected by the Department of Public Safety of the State of Texas; making an appropriation.), **Committee Report 2nd House, As Amended**

Estimated Two-year Net Impact to General Revenue Related Funds for SB21, Committee Report 2nd House, As Amended: an impact of \$0 through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of <i>GENERAL REVENUE FUND</i> 1
2004	\$0
2005	\$231,652,000

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable Savings/(Cost) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable Revenue Gain/ (Loss) from <i>TEXAS MOBILITY FUND</i> 365
2004	\$0	\$0	\$0
2005	\$231,652,000	(\$231,652,000)	(\$132,852,000)
2006	\$0	\$0	\$0
2007	\$0	\$0	\$0
2008	\$0	\$0	\$0

Fiscal Analysis

The bill would amend changes to the Transportation Code made by House Bills 3184 and 3588 and

Senate Bills 631 and 1904, Acts of the 78th Legislature, Regular Session, 2003, relating to the financing, construction, improvement, maintenance, and operation of toll facilities by the Texas Department of Transportation and the disposition of money generated by the driver responsibility program, fines imposed for certain traffic offenses, and certain fees collected by the Department of Public Safety (DPS).

House Bill 3588 would have created the Texas Mobility Fund Debt Service Account (TMFDSA). Under the provisions of Senate Bill 21, the TMFDSA would not be created. The bill would also amend House Bill 3588 to change the dedication of certain DPS fees for fiscal 2005, including driver's license fees and inspection fees, from the Texas Mobility Fund (TMF) to the General Revenue fund. The bill would also extend the county authorization to file a declaration of taking, under certain circumstances, to include a county with a population of 3.3 million or more.

The bill would establish a new state traffic fine of \$30, to replace the \$30 court cost established in House Bill 3588, and identify those situations in which the fine would apply. The bill would require the \$30 fine to be deposited in either municipal or county treasuries and then subsequently be remitted to the Comptroller in accordance with the bill. The bill would retain the provision established in House Bill 3588 allowing a municipality or county to retain 5 percent of the money collected. The bill would require the Comptroller to deposit 67 percent of the revenues received to the credit of the General Revenue fund and 33 percent to the credit of General Revenue Dedicated Trauma Facility and Emergency Medical Services Account. The bill would amend House Bill 3588 to require portions of revenues generated in fiscal years 2004 and 2005 in excess of \$250 million from an aggregate total of all fines imposed for certain traffic offenses and Driver Responsibility Program fees to be deposited to the credit of the TMF instead of the TMFDSA and the General Revenue fund.

The bill would also appropriate an estimated amount of \$231,700,000 deposited to the credit of the General Revenue fund in fiscal 2005, out of the General Revenue fund, to replace block granted or undedicated federal fiscal relief funds utilized to certify general revenue appropriations for the 2004-05 biennium. The federal fiscal relief funds replaced would be appropriated to the Comptroller, for the biennium beginning September 1, 2003, for the purposes described by the Article IX, Section 11.28, of the General Appropriations Act, 78th Regular Session (House Bill 1). In addition, the bill would amend Article IX, Section 11.28 (a) of House Bill 1, to remove the reference to implementation of Article IX, Section 11.15, Contingency Appropriation Reduction and Contingency Appropriation, and add language to make the funds appropriated as directed by the Governor and Legislative Budget Board acting under Chapter 317, Government Code, and in accordance with the provisions of the bill.

The bill would add exemptions to the \$12.5 million cap for disbursements related to the acquisition, construction, maintenance, and operation of a rail facility or system.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses, except for sections 22 through 28, and section 34, which would take effect September 1, 2003; otherwise, the bill would take effect on the 91st day after the last day of the legislative session. Changes with a measurable fiscal impact are discussed below.

Methodology

This analysis includes the latest certification findings provided by the Comptroller of Public Accounts.

Based on data from the Comptroller's 2004-05 Biennial Revenue Estimate, the bill would direct approximately \$231.6 million in fiscal year 2005 to be deposited to the credit of the General Revenue fund instead of the TMF. The bill would appropriate the estimated \$231.6 million deposited to the credit of the General Revenue fund in fiscal 2005, out of the General Revenue fund, to replace block granted or undedicated federal fiscal relief funds utilized to certify general revenue appropriations for the 2004-05 biennium. The bill would also appropriate federal fiscal relief funds already appropriated in the General Appropriations Act, 78th Regular Session, House Bill 1, which would have no fiscal effect according to the Comptroller.

The bill would also require 49.5 percent of the revenues generated from the Driver Responsibility

Program and 67 percent of revenues received by the Comptroller from fines imposed for certain traffic offenses to be deposited to the credit of the TMF instead of the TMFDSA and the General Revenue fund in fiscal years 2004 and 2005. Although the Comptroller has determined that the estimated General Revenue gains of \$98.8 million in fiscal years 2006 and 2007 from fines imposed for certain traffic offenses would be available for general purpose expenditures upon enactment of the bill, no General Revenue impacts are reflected in the table above for these fiscal years because similar General Revenue gains were previously reflected in the cost estimate for House Bill 3588, which required these revenues to be deposited to the credit of the General Revenue fund.

No gains to the TMF are reflected from Driver Responsibility Program generated revenues based on certification findings; however, approximate gains of \$98.8 million in fiscal year 2005 from fines imposed for certain traffic offenses are reflected in accordance with amounts identified by the Comptroller and the requirements of the bill. Based on the Comptroller's interpretation and certification findings, this analysis also assumes that a transfer of approximately \$82.3 million would have been made under the provisions of House Bill 3588 from the TMFDSA to the TMF in fiscal year 2004 pursuant to a payment requirement for obligations assumed to be issued from the TMF during that year. Since the revenue would have been available to the TMF in 2004 through the anticipated transfer under the provisions of House Bill 3588, it is not reflected in the table above. Any revenues generated from the Driver Responsibility Program during fiscal years 2004 and 2005 would result in a corresponding increase to the TMF in accordance with the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 601 Department of Transportation

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