

LEGISLATIVE BUDGET BOARD
Austin, Texas

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

July 15, 2003

TO: Honorable Steve Ogden, Chair, Senate Committee on Infrastructure Development and Security

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB51 by Ogden (Relating to appropriating certain surcharges collected by the Department of Public Safety under the driver responsibility program and fees collected by the Texas Department of Transportation under the motor vehicle financial responsibility verification program, as those programs are created by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, to the Department of Public Safety.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB51, As Introduced: a negative impact of (\$3,473,789) through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of <i>GENERAL REVENUE FUND</i> 1	Appropriation out of <i>STATE HIGHWAY FUND</i> 6
2004	\$1,198,760	\$10,883,000
2005	\$2,275,029	\$13,491,000

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$1,198,760)
2005	(\$2,275,029)
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>STATE HIGHWAY FUND</i> 6	Change in Number of State Employees from FY 2003
2004	(\$1,198,760)	(\$10,883,000)	22.0
2005	(\$2,275,029)	(\$13,491,000)	22.0
2006	\$0	\$0	0.0
2007	\$0	\$0	0.0
2008	\$0	\$0	0.0

Fiscal Analysis

The bill would amend the Transportation Code to appropriate certain fee and surcharge revenue,

generated by implementation of HB 3588, 78th Legislature, Regular Session, 2003, to the Texas Department of Public Safety (DPS) for fiscal years 2003 and 2004.

One percent of the surcharge revenue from the Driver Responsibility Program and all the fee revenue from the Motor Vehicle Financial Responsibility Verification Program would be appropriated to DPS for the 2003-04 biennium to implement and administer the two programs, including the reengineering of the driver's license system. The bill would provide that if the fee revenue generated by the additional \$1 fee associated with vehicle registrations would be insufficient for reengineering the driver's license system and funding the liability insurance feasibility study, the bill would authorize DPS to use money appropriated for Master Lease Purchase Program payments.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect November 1, 2003. Appropriations made in the bill would take effect September 1, 2003; otherwise, they would take effect November 1, 2003.

Methodology

According to the Comptroller of Public Accounts, the bill would appropriate approximately \$24.4 million from the State Highway Fund to DPS for the purpose of supporting the reengineering of the driver's license system and the liability insurance feasibility study. The table above does not reflect a gain to the State Highway Fund because the revenue from the additional \$1 motor vehicle registration fee became current law with the enactment of HB 3588, 78th Legislature, Regular Session, 2003.

The bill would increase the number of full-time equivalent positions for DPS by 22 each year and would also appropriate approximately \$3.5 million from the General Revenue fund to the DPS for the purpose of administering the Driver Responsibility Program during the 2004-05 biennium. The Comptroller of Public Accounts did not include the revenue gain from the Driver Responsibility Program in House Bill 3588, 78th Legislature, Regular Session, in the certification of House Bill 1, the general appropriations act. Therefore, the appropriation and costs shown above from the General Revenue fund would not count against the \$98.6 million estimated to be available for certification for the 78th Legislature, First Called Session.

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

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