

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 5, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB524 by Eiland (Relating to the use of the Galveston-Port Bolivar ferry operated by the Texas Department of Transportation.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB524, Committee Report 1st House, Substituted: a positive impact of \$1,008,950 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$504,475
2005	\$504,475
2006	\$504,475
2007	\$504,475
2008	\$504,475

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Savings/(Cost) from <i>STATE HIGHWAY FUND</i> 6
2004	\$504,475	(\$2,118,900)
2005	\$504,475	(\$100,000)
2006	\$504,475	(\$100,000)
2007	\$504,475	(\$100,000)
2008	\$504,475	(\$100,000)

Fiscal Analysis

The bill would amend the Transportation Code to allow an owner of a registered motor vehicle to apply to the Texas Department of Transportation (TxDOT) for a sticker that would entitle the vehicle to have priority in boarding the Galveston-Port Bolivar ferry operated by TxDOT until the ferry reaches 50 percent of its vehicle capacity. The bill would require TxDOT to design a sticker, designate the windshield location for placement, and sell the sticker annually to qualified persons for a fee. The bill would require TxDOT to establish a sticker fee in an amount sufficient to cover the cost of implementing and administering the provisions of the bill and prescribe necessary forms to administer the provisions of the bill. The bill would also allow TxDOT to adopt necessary rules.

The bill would take effect September 1, 2003.

Methodology

TxDOT estimates that approximately \$2.1 million would be required in fiscal year 2004 for staging area modifications and improvements to existing landings that would have to be made to accommodate the priority boarding vehicles. TxDOT also estimates costs of \$100,000 each year for seasonal contracting with additional off-duty police officers to work in the priority staging area.

Based on usage in 2002, TxDOT estimates 575 commercial vehicles and 5,174 non-commercial vehicles would use the ferry system each day and that 25 percent of these vehicles (1,437) would pay an annual fee of \$75 and it is assumed that there would be added fee of \$276 as well for the first five years to cover initial costs of implementing the bill. It is assumed fees would be reduced to \$75 after the first five years. Based on this assumption, it is estimated that revenues in the amount of \$504,475 would be generated during the first five years and that revenues would be reduced to \$107,775 during each subsequent year. Based on information provided by the Comptroller of Public Accounts, it is assumed that the fee generated revenue realized from these sticker sales would be deposited to the credit of the General Revenue Fund.

Technology

Programming costs to modify the Texas Department of Transportation's Registration and Title System for the issuance of the stickers is estimated to be \$18,900 in fiscal year 2004.

Local Government Impact

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

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

LBB Staff: JK, JO, RR, RT, MW