

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 28, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1507 by Coleman (Relating to a motor vehicle registration fee to support trauma centers to be collected when a motor vehicle is registered.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1507, As Introduced: an impact of \$0 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	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from Re-Created General Revenue Dedicated Account	Probable Revenue Gain/(Loss) from Retained by Counties
2004	\$56,924,487	\$6,324,943
2005	\$86,923,692	\$9,658,188
2006	\$88,488,320	\$9,832,036
2007	\$90,081,108	\$10,009,012
2008	\$91,702,571	\$10,189,175

Fiscal Analysis

The bill would amend the Transportation Code to require the collection of a new \$5 motor vehicle registration fee by county tax assessor-collectors in addition to existing motor vehicle registration fees. The bill would require collections be remitted on the first Monday of each month to the Comptroller of Public Accounts for deposit in the re-created General Revenue dedicated tertiary care account in the State Treasury. The bill would allow up to ten percent to be retained by county tax assessor-collectors and the remainder to be deposited to the credit of the General Revenue dedicated account to support trauma centers.

The bill would take effect January 1, 2004, and would only apply to the registration of a motor vehicle that is applied for on or after that date if the constitutional amendment proposed by the 78th Legislature, Regular Session, 2003, authorizing the use of motor vehicle registration fees to support

trauma centers were approved by the voters. If that amendment does not receive approval by the voters, the bill would have no effect.

Methodology

TxDOT estimates that approximately 12.6 million registrations would be realized during the first 8 months of fiscal year 2004, due to the implementation date required in the bill; that this amount would increase to approximately 19.3 million during the following year; and that this amount would continue to increase by a growth rate of 1.8 percent during each subsequent year. This analysis assumes counties would retain the full 10 percent, or \$0.50, allowable under the provisions of the bill and that the remaining amount of \$4.50 would be deposited from each registration fee collected to the credit of the re-created tertiary care account.

Based on the analysis of TxDOT, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Because the legislation would re-create a dedicated revenue account in the General Revenue Fund, the account included in this bill would be subject to funds consolidation review by the current legislature.

Local Government Impact

The bill would allow counties to retain an amount equal to not more than 10 percent of each fee collected under Subsection (a) to deposit to the credit of the general revenue fund. The county assessor-collector would then petition the commissioners court for the amount necessary to administer the section.

Counties would retain \$0.50 (10 percent) of the proposed \$5.00 Trauma Fee. Projections of motor vehicle registrations from fiscal year 2004 to fiscal year 2008 were obtained from the Texas Department of Transportation. TxDOT projected the following revenues for the 254 counties in Texas:

FY 2004 12,649,886 X \$.50 = \$ 6,324,943 (includes only 8 months of the fiscal year)
FY 2005 19,316,376 X \$.50 = \$ 9,658,188
FY 2006 19,664,071 X \$.50 = \$ 9,832,036
FY 2007 20,018,024 X \$.50 = \$10,009,012
FY 2008 20,378,349 X \$.50 = \$10,189,175

Source Agencies: 304 Comptroller of Public Accounts, 501 Department of Health, 601 Department of Transportation
LBB Staff: JK, JO, RR, RT, MW, KG