

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: HB3106 by Garza (Relating to the registration of certain vehicles and the issuance of specially designed license plates by the Department of Transportation; providing penalties.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill streamlines the specialty license plate statutes by replacing various sections of the Transportation Code and adding new provisions pertaining to the issuance of specialty license plates. It provides provisions applicable to all specialty license plates for general distribution under Section 504.601. All specialty plates under this section are \$30 and TXDOT shall use \$8 to defray administrative costs.

In addition, TXDOT may issue a souvenir plate of any specialty license plate, which allows issuance of a single souvenir specialty plate for a fee of \$10 if not personalized and \$30 if personalized. The souvenir plate may not be used on a vehicle and the plate must be identified in a way that identifies it as a souvenir plate.

The bill would allow TxDOT to issue specialty license plates for passenger cars and light trucks based on a request from a sponsor of the license plates or its own initiative. It would require applicants to submit a \$30 annual fee in addition to other registration fees. The provisions require the first \$15,000 to be deposited to the credit of the State Highway Fund and TxDOT would also be credited the incremental cost per plate. The difference would be deposited to the credit of a newly created General Revenue dedicated account from a sponsor application or the State Highway Fund if a sponsor did not nominate a state agency to receive the funds. Because the legislation would 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.

No significant fiscal implication is anticipated due to the estimated number of license plate issuances for the souvenir plates and each of the estimated five new TXDOT sponsored plates and each of the ten new specialty sponsored license plates each year.

If the provisions of the bill reduces the amount of General Revenue generated in fiscal years 2004 and 2005 relative to fiscal years 2002 and 2003 as determined by the Legislative Budget Board, the amount of fees allocated to TXDOT for administrative costs shall be reduced to replace the reduction in General Revenue. This provision expires September 1, 2005.

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

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

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