

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 14, 2003

TO: Honorable Robert Talton, Chair, House Committee on Urban Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3158 by Capelo (Relating to the authority of a municipality to establish an optional fee for child safety.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would authorize a municipality that provides for the use of school crossing guards to impose an additional motor vehicle registration fee, not to exceed \$3. The county tax assessor-collector would be responsible for collecting the fee and would be authorized to keep 10 percent of each additional fee collected, after which, the remaining amount would be sent to the municipality. The revenue would be used only for a school crossing guard program or other child safety program.

Fees could be raised or reduced, but all implementation or modification actions would be required to take effect on January 1 of the next year. The municipality would be required to enact the ordinance and send a copy to the Texas Department of Transportation not later than September 10 of the year preceding the year the fee would take effect. The Texas Department of Transportation (TxDOT) would be required to adopt rules and forms to administer and enforce the provisions of the bill. The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

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

Existing statute authorizes collection of certain court fees to be used for school crossing guards and other child safety programs if the municipality does not provide school crossing guards, or if there is sufficient funding from collected court fees for other child safety programs in addition to school crossing guards.

The City of Houston (population 1,953,631) reports that the city currently receives \$1,974,000 from Harris County for the child safety program. If the maximum vehicle registration fee of \$3 were also collected, the city would experience a net annual revenue increase of \$3,223,500 (\$3 X 1,925,000 vehicles registered in the City of Houston, minus 10 percent administrative fee, then minus current revenues).

The City of Corpus Christi (population 277,454) estimates that implementing provisions of the bill would produce annual revenues totalling \$576,916 for the crossing guard program (a 100 percent increase, annually, from the \$288,458 currently collected).

Local Government Impact

The positive fiscal impact to units of local government would vary depending on the amount of the fee imposed and the number of vehicles to which the additional fee would apply.

Source Agencies: 601 Department of Transportation

LBB Staff: JK, JB, DLBa, MW