

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 17, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB945 by Ogden (Relating to the manner of issuance of a driver's license or personal identification certificate by the Department of Public Safety.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB945, 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	\$28,784,000
2007	\$28,784,000
2008	\$28,784,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from GENERAL REVENUE FUND 1	Probable Revenue Gain from New General Revenue Dedicated - Reengineering	Probable Revenue Gain from New General Revenue Dedicated - Driver License System	Probable (Cost) from New General Revenue Dedicated - Reengineering
2004	\$0	\$26,703,000	\$0	(\$23,846,641)
2005	\$0	\$35,990,000	\$0	(\$23,846,642)
2006	\$28,784,000	\$0	\$5,757,000	\$0
2007	\$28,784,000	\$0	\$5,757,000	\$0
2008	\$28,784,000	\$0	\$5,757,000	\$0

Fiscal Year	Probable (Cost) from New General Revenue Dedicated - Driver License System
2004	\$0
2005	\$0
2006	(\$5,208,034)
2007	(\$4,963,493)
2008	(\$4,964,463)

Fiscal Year	Change in Number of State Employees from FY 2003
2004	28.0
2005	28.0
2006	28.0
2007	28.0
2008	28.0

Fiscal Analysis

The bill would amend the Transportation Code requiring the Department of Public Safety (DPS) to establish an information system based on biometric identification from an applicant for a personal identification certificate, driver's license, or commercial driver's license or permit. The bill would increase the fee for the issuance or renewal of driver and motorcycle licenses by \$12 and establish an additional \$15 fee for first-time Class M licenses and first-time applicants for additional authorization to operate a motorcycle.

Methodology

The estimated revenues are based upon DPS projections of driver license issuances and renewals. In fiscal years 2004 and 2005, the full \$12 increase in license fees would be deposited to a newly-created General Revenue Dedicated Account—Reengineering for use only to support reengineering of the new system. For fiscal years 2006 through 2008, \$2 of the fee increase would be deposited to the newly-created General Revenue Dedicated Account —Drivers's License System for use only to replace, maintain, or support the system. The remaining \$10 would be deposited to the General Revenue Fund. DPS did not report the number of first-time applicants for a Class M license, or the number of first-time applicants for additional authorization to operate a motorcycle. As a result, revenue estimates related to motorcycle licenses were not part of calculations for this fiscal note.

DPS reports this project will involve replacing failing hardware in the driver license offices and rewriting outdated driver license programs to provide the enhanced biometrics collection and retrieval capabilities. Additionally, this project establishes a Fraud Investigation Unit charged with investigating both internal and external criminal activity involving fraudulent and counterfeit documents and cases of identity theft and document tampering.

Technology

The majority of costs associated with this project would involve technology including contract programming services and additional equipment.

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
LBB Staff: JK, JO, RR, VDS, AR