

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 3, 2005

TO: Honorable Todd Staples, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1009 by Corte (Relating to the authority of a port authority, a navigation district, or certain other persons to use electronically readable information derived from a driver's license, commercial driver's license, or personal identification certificate for port security purposes.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would authorize a port, port authority, navigation district, or other maritime facility to access, use, compile, or maintain in a database electronically readable information derived from a driver's license, commercial driver's license, or personal identification certificate to secure the facility or port. The information maintained in the database would not be open to public disclosure except as allowed under Section 418.183, Government Code. The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005.

The Texas Commission on Environmental Quality indicates that the bill may require a change in procedures for its Field Operations Division because access may be limited during an inspection. Procedural changes can be incorporated using existing resources.

Local Government Impact

According to information provided by the Houston Port Authority (HPA), implementation of the provisions within the bill would provide an undetermined savings to port authorities. Currently, authorities are manually gathering and tracking information related to federal port security mandates. Manual operations require additional full-time-equivalent positions. The HPA was unable to provide specific costs, but indicated manual processing is becoming "cost-prohibitive," citing that at one terminal alone in fiscal year 2004, the authority handled 1.3 million twenty-foot-equivalents (international measure for containers) that required manually matching identification information with the persons transporting the containers.

An authority or district would incur initial expenses associated with purchasing hardware and software necessary to implement provisions of the bill, but would expect to experience an overall savings by switching from a manual to an electronic tracking system. According to the Department of Public Safety, a mobile data terminal (MDT) that incorporates a magnetic strip reader costs \$3,000 to \$5,000 each. However, the Texas Water Development Board indicates that another option is a 3-track magnetic strip reader that ranges in price from \$60 to \$250, plus \$100 to \$300 for software and cables per reader.

The fiscal impact would vary by authority and district, depending on whether MDTs or 3-track readers are going to be used, how many MDTs or 3-track readers must be purchased, and how much staffing or staff hours would be reduced by automating the process.

Source Agencies: 405 Department of Public Safety, 580 Water Development Board, 582 Commission on Environmental Quality, 601 Department of Transportation

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