

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 24, 2005

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB1480 by Gattis (Relating to the issuance of special license plates to benefit certain programs.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code and require the Texas Department of Transportation (TxDOT) to design and issue a new specialty license plate with the words "Mothers Against Drunk Driving." The bill would require TxDOT to design the plates in consultation with Mothers Against Drunk Driving (MADD) and that revenues generated from the sale of the plates be deposited to the credit of the General Revenue Fund for the purposes of being appropriated to the Texas Higher Education Coordinating Board to make grants to benefit drug-abuse prevention.

The bill would also establish a new section in the Transportation Code for the existing "Boy Scouts of America" license plates and change the dedication of revenue from the sale of the plates to the credit of a new General Revenue Account for Boy Scout Plates for the purpose of making grants to benefit educational projects sponsored by Boy Scout councils in this state. The bill would eliminate the current provision dedicating revenue from the sale of the "Boy Scouts of America" plates to the Texas Commission on Alcohol and Drug Abuse for drug-abuse prevention programs sponsored by nonprofit organizations that primarily serve children.

The bill would require TxDOT to recover the administrative costs from the issuance of these specialty licenses plates.

The bill would also extend the life of the "Operation Iraqi Freedom" special license plate. Applicants would be required to certify that they meet the eligibility requirements. This change in law would only apply to a registration period beginning on or after the effective date of the bill.

Based on the information provided by TxDOT, it is assumed that the provisions of the bill could be implemented using existing resources. Based on the analysis of the Comptroller of Public Accounts, which assumes a specialty license plate fee of \$30, it is assumed that revenues generated from the "Boy Scouts of America" could generate up to \$7,200 each year and that the "Mothers Against Drunk Driving" plates could generate up to \$4,800 each year.

The bill would create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Therefore, the fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature. Although this bill would not make an appropriation, it would establish the basis for an appropriation.

The bill would take effect September 1, 2005.

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, 781 Higher Education Coordinating Board

LBB Staff: JOB, SR, MW, BC