

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 4, 2005

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

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

IN RE: HB1646 by Hughes (Relating to the definition of all-terrain vehicle in the motor vehicle registration law.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1646, As Introduced: a positive impact of \$500,000 through the biennium ending August 31, 2007.

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
2006	\$250,000
2007	\$250,000
2008	\$250,000
2009	\$250,000
2010	\$250,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain from <i>STATE HIGHWAY FUND 6</i>	Probable Revenue Gain from <i>TEXAS MOBILITY FUND 365</i>	Probable Revenue Gain from <i>TEXAS EMISSIONS REDUCTION PLAN 5071</i>
2006	\$250,000	\$150,000	\$0	\$750,000
2007	\$250,000	\$150,000	\$0	\$750,000
2008	\$250,000	\$150,000	\$0	\$750,000
2009	\$250,000	\$150,000	\$750,000	\$0
2010	\$250,000	\$150,000	\$750,000	\$0

Fiscal Analysis

The bill would amend Section 502.001 of the Transportation Code to include a vehicle with a bench for the use of the rider in the definition of "all-terrain vehicle."

The bill would take effect on September 1, 2005.

Methodology

Based on the information provided by the Texas Department of Transportation (TxDOT), the bill would affect the number and type of vehicles required to be titled as all-terrain vehicles by including

golf carts and slow-moving/multi-purpose vehicles. Under current law, golf carts and multi-purpose vehicles are not required to be titled but may be registered for use on certain public roadways.

Based on the analysis of TxDOT, it is assumed that an estimated 50,000 additional all-terrain vehicle titles will be issued each year with an application fee of \$28 for an annual revenue gain to the General Revenue Fund, State Highway Fund, Texas Emissions Reduction Plan Account (fiscal year 2006 - 2008), Texas Mobility Fund (fiscal years 2009 and 2010), and to the counties. For fiscal years 2006 through 2008, the fee revenue would be distributed as follows: \$5 to the General Revenue Fund; \$3 to the State Highway Fund; \$15 to the Texas Emissions Reduction Plan Account No. 5071; and \$5 retained by the counties. For fiscal years 2009 and 2010, the revenue would be distributed as follows: \$5 to the General Revenue Fund; \$3 to the State Highway Fund; \$15 to the Texas Mobility Fund No. 365; and \$5 retained by the counties.

It is assumed any additional costs and duties associated with implementing the provisions of the bill could be absorbed within TxDOT's existing resources.

Local Government Impact

It is assumed the increase in the number of all-terrain vehicle titles issued would result in an annual revenue gain to the counties of \$250,000 each year.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, SR, MW, TG