

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 31, 2005

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

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

IN RE: HB1735 by Krusee (Relating to souvenir license plates.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 504 of the Transportation Code, relating to souvenir license plates. Under the provisions of the bill, revenues from the sale of certain souvenir license plates would no longer be deposited entirely in the State Highway Fund 0006. Rather, for each \$20 fee collected on the sale of a qualifying souvenir license plate, \$10 would be deposited to the credit of the account designated for the specialty license plate, and \$10 would be deposited to State Highway Fund 0006. To qualify, the souvenir license plate would have to be a replica of a specialty license plate issued under Transportation Code, Subchapter G (specialty plate for general distribution) or Subchapter I (development of a new specialty license plate).

Under the provisions of the bill, revenues from the sale of qualifying personalized souvenir license plates would no longer be deposited between Fund 0006 and the General Revenue Fund 0001. Rather, for each \$40 fee collected on the sale of a personalized souvenir plate meeting the conditions in Subchapters G and I, \$20 would be deposited to the credit of State Highway Fund 0006, \$10 would be deposited to the credit of the account designated for the specialty license plate, and the remainder would be deposited to the credit of General Revenue Fund 0001.

The bill would allow the beneficiary of a specialty license plate issued under Transportation Code, Subchapter G or I, to purchase specialty license plates in boxes of 25 for use or sale by the beneficiary. The beneficiary would pay the required fee for each plate, less the amount of the fee that would be deposited to the credit of the designated account.

Based on the analysis and information provided by the Comptroller of Public Accounts, it is assumed the provisions of the bill would not result in a significant change in revenues from the sales of such license plates.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, 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

LBB Staff: JOB, SR, MW, TG