

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 23, 2005

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

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

IN RE: HB2337 by Corte (Relating to the use of information provided by an applicant for a driver's license or personal identification certificate in an image verification system.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2337, As Introduced: an impact of \$0 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	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>STATE HIGHWAY FUND</i> 6
2006	(\$7,447,447)
2007	\$0
2008	\$0
2009	\$0
2010	\$0

Fiscal Analysis

The bill would amend the Transportation Code as it relates to the use of information provided by an applicant for a driver's license or personal identification certificate in an image verification system.

The bill would amend the Transportation Code to extend by two years the ability of the Department of Public Safety (DPS) to use the \$1 fee collected upon registration of a motor vehicle (from August 31, 2005 to August 31, 2007). The bill would direct DPS to use the money to include image comparison technology in the reengineering of the driver's license system. The bill would remove the restriction on using biometric information. The bill would delay by two years (from August 31, 2005 to August 31, 2007) the provision that allows funds collected under this section of the Transportation Code to

be deposited and appropriated for use by the Texas Department of Insurance, the Texas Department of Transportation, and DPS.

DPS would be required to establish and maintain an Image Verification System, based on certain identifiers provided when a person applies for a personal identification certificate, driver's license, or commercial driver's license or permit. Under this bill, identifiers would include an applicant's facial image, and thumbprints or fingerprints.

The bill would amend the Transportation Code to require applications for an original driver's license to include a photograph and the signature of the applicant.

The bill would take effect September 1, 2005.

Methodology

DPS reports that \$4,450,782 would be needed in fiscal year 2006 for hardware and other system components necessary to implement the database system. In addition to these costs, DPS reports that \$2,996,665 would be needed in fiscal year 2006 for a one-time image file comparison to enroll, search, and compare existing driver's license and identification card images into the database. The total estimated costs for establishing and maintaining an Image Verification System is \$7,447,447 (\$4,450,782 + \$2,996,665) in fiscal year 2006.

Technology

Technology costs would include \$7,447,447 in fiscal year 2006 for hardware and associated system components as well as a one-time image file comparison to enroll, search, and compare the existing driver license and identification card images into the new image verification system database.

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, 454 Department of Insurance

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