

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 13, 2005**

**TO:** Honorable Dianne White Delisi, Chair, House Committee on Public Health

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

**IN RE: HB2470** by Delisi (Relating to the operations of and the funding mechanisms for emergency medical services and trauma facility care in this state.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2470, 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	\$0
2007	\$0
2008	\$65,000,000
2009	\$65,000,000
2010	\$65,000,000

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1</b>
2006	\$0
2007	\$0
2008	\$65,000,000
2009	\$65,000,000
2010	\$65,000,000

The bill relates to the operations of, and the funding mechanisms for emergency medical services and trauma facility care in Texas. It would amend Chapter 780, Health and Safety Code, to: 1) clarify that unspent monies from a \$500,000 reserve, appropriated from the account for each fiscal year, shall be transferred to the reserve the following fiscal year; 2) remove language that stipulates that the \$500,000 be "maintained"; 3) remove language that stipulates that the \$500,000 reserve be used for "extraordinary emergencies"; and 4) insert language that allows funding eligibility to be extended to an undesignated hospital that a) applies for trauma verification/designation after September 1, 2005; and b) meets "active pursuit of designation" not later than March 1, 2006.

The bill would amend the Transportation Code to: 1) require traffic citations to contain a warning advising that certain convictions could result in a surcharge under the driver responsibility program (DRP); 2) extend the installment period for paying a surcharge under DRP to not more than 36 consecutive months, and it would eliminate the minimum surcharge amount eligible for an

installment payment; and 3) repeal the expiration date for the \$30 state traffic fine.

The bill would take effect on September 1, 2005, and would apply prospectively.

### **Fiscal Analysis**

The bill would amend Section 780.153(b), Transportation Code, to prohibit a rule relating to the driver responsibility program from permitting a person to pay a surcharge over a period of more than 36 consecutive months, rather than prohibiting a rule from permitting a person to pay a surcharge of less than \$2,300 over a period of more than 12 consecutive months, or of \$2,300 or more over a period of more than 24 consecutive months.

The bill would repeal Section 542.4031(k), Transportation Code, relating to the expiration of provisions for the assessment of a \$30 state traffic fine for certain offenses. The \$30 state traffic fine is set to expire September 1, 2007. The bill would remove the expiration date.

### **Methodology**

The Comptroller of Public Accounts (comptroller) estimates that provisions of the bill extending the installment period for paying a surcharge under DRP could have the effect of delaying revenue streams to the state, but because the extent to which the installment period would be extended and the number of persons who would be eligible to take advantage of the extended period are not known the fiscal impact of this provision could not be estimated.

The comptroller estimates that the repeal of the expiration of the \$30 state traffic fine would result in an annual revenue gain in the amount of \$65,000,000, beginning in fiscal year 2008. Because under current law General Revenue-Dedicated Account 5111 - Designated Trauma Facility and EMS expires September 1, 2007, all of the money received by the comptroller from the \$30 state traffic fine, after five percent is retained by the collecting municipality or county, would be deposited to General Revenue Fund 0001.

### **Local Government Impact**

Regional advisory councils that receive funds from the designated trauma facility and emergency medical services account would be able to roll over those funds for one fiscal year instead of returning the funds to the state. This would result in a positive fiscal impact and a more stable fiscal structure for the councils' emergency medical services.

The Department of State Health Services and the Health and Human Services Commission report that the provisions of the bill could increase the overall number of hospitals eligible for funding which could in turn reduce the amount of money that will be distributed for uncompensated trauma care to any one hospital. Costs to local governments would depend upon the amount of funds available to be distributed and number of hospitals that have received trauma funds in any given fiscal year.

The bill would repeal Section 542.4031(k) of the Transportation Code to remove the expiration date for the \$30 state traffic fine. This would result in counties continuing to receive five percent of the proceeds from the fines in fiscal years 2008, 2009, and 2010. These proceeds are estimated at approximately \$3.4 million in each of those fiscal years.

**Source Agencies:** 304 Comptroller of Public Accounts, 405 Department of Public Safety, 529 Health and Human Services Commission, 537 Department of State Health Services

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