

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 25, 2007

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

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

IN RE: HB481 by Jackson, Jim (Relating to the transfer of a used motor vehicle.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to require the Texas Department of Transportation (TxDOT) to establish procedures that permit the transferor of a motor vehicle to electronically submit a notice of transfer to the department through TxDOT's Internet website. The bill would also amend the Transportation Code to provide increased, graduated fees for late filings of applications for transfers of vehicle registrations in the following amounts: \$25 if the application is filed on the 21st working day or between the 21st and 31st working day from the date registration receipt and certificate of title documents are received by the transferee; \$100 if the application is filed on or after the 31st day and before the 61st day; and on or after the 61st day, an additional \$25 plus \$25 for each subsequent 30-day period in which the application is not filed. The bill would specify that a county assessor-collector may retain half of each late fee and each additional penalty. The bill would specify that \$10 out of each fee received by TxDOT may be used only to fund a statewide public awareness campaign designed to inform and educate the public about the provisions of the bill.

This analysis does not estimate the amount of revenues that would be collected from late application penalty fees pursuant to the provisions of the bill. TxDOT estimates that the new penalty fees would result in a revenue gain to the State Highway Fund of approximately \$7.5 million in fiscal year 2008, increasing to \$11.7 million by fiscal year 2012. Based on the analysis of TxDOT it is assumed that penalty fees received by the department would be sufficient to cover the costs to the agency for implementing the statewide awareness campaign, and any additional costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. It is also assumed that penalty fee revenues collected and deposited to the State Highway Fund in excess of amounts expended for the awareness campaign would be available for other transportation related expenditures.

The bill would take effect on January 1, 2008.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG