

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

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

IN RE: HB705 by Herrero (Relating to the optional county fee for the county road and bridge fund.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB705, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.

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
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from STATE HIGHWAY FUND 6	Probable Revenue Gain/(Loss) from Counties
2008	\$4,282,432	\$138,465,286
2009	\$6,430,328	\$214,344,263
2010	\$6,629,668	\$220,988,936
2011	\$6,828,558	\$227,618,604
2012	\$7,006,101	\$233,536,687

Fiscal Analysis

The bill would amend Section 502.172(a) of the Transportation Code to increase the optional fee a county could impose for registering a vehicle from \$10 to \$20 .

Under §502.103, Transportation Code, the Texas Department of Transportation (TxDOT) receives 3% of the optional county fees and counties retain the remaining 97% of the fees. The fees received by TxDOT are deposited in the Highway Fund 006.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2007.

Methodology

The fiscal impact of this bill was determined by analysis of fiscal year 2006 registration data provided by the Texas Department of Transportation. Growth of this data base was then projected to fiscal year 2012.

This revenue forecast is based on the premise that each and every county currently imposing the annual \$10 optional county registration fee would increase said fee to \$20, effective January 1, 2008.

Local Government Impact

The revenue gain would vary by county depending on what, if any, amount is currently imposed as an additional fee for vehicle registration.

The annual, maximum gain to all counties for road and bridge purposes is indicated in the above table.

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation
LBB Staff: JOB, CT, MW, DB