

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 12, 2007

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

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

IN RE: HB1439 by Chisum (Relating to authorizing the Texas Department of Public Safety to establish a driver record monitoring pilot program and enter into contracts for the periodic reporting of certain information in the department's driver's license files; providing penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code relating to authorizing the Texas Department of Public Safety (DPS) to establish a driver record monitoring pilot program and enter into contracts for the periodic reporting of certain information in the department's driver license files.

The bill would add Transportation Code, Section 521.060, Driver Record Monitoring Pilot Program, which would establish a driver record monitoring pilot program for one year where DPS may enter into a contract with a person to provide the monitoring services for the periodic reporting of certain information in DPS' driver license files if the person is an employer, insurer, and insurance support organization, an employer support organization or an entity that provides motor vehicle self insurance. The contract must require DPS to monitor the driving record of each holder issued by DPS that is requested by the contract holder. DPS must identify a change in the status of a driver license or convictions for traffic offenses during the monitoring period and provide the contract holder a report.

The person with whom DPS contracted will not directly disclose information received from the agency to a third party without the written consent of the agency. The bill states the Attorney General may file suit against the contracted entity for violating terms of the contract, provides process and procedure for this action and states that the state may recover court costs from the vendor if they are found liable. The bill states an offense under this subsection is a Class B misdemeanor.

The bill states that DPS shall impose a fee on each contract holder that is reasonable and not less than the costs required to provide the contract services. DPS may establish a reasonable deadline by which a person must apply to enter into the contract and the agency may not enter into the contract after the deadline. Upon conclusion of one year and with the recommendation of DPS, the agency commission may authorize DPS to implement this program permanently. Before DPS recommends the pilot program to be implemented as a permanent program, the agency must submit a cost benefits analysis of the program to the legislature. The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

DPS determined that there would be cost to the Driver License Division to implement the provisions of the bill. However, DPS states these costs would not be significant. The Office of the Attorney General states any legal work resulting from the provisions of the bill can be absorbed within the agency's current appropriations. Both agencies state no significant fiscal impact to their agencies.

Local Government Impact

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

Source Agencies: 302 Office of the Attorney General, 405 Department of Public Safety

LBB Staff: JOB, KJG, GG, LG