

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 10, 2007

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

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

IN RE: HB2907 by Gattis (Relating to the penalty for operation of a motor vehicle in violation of financial responsibility requirements.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to change the punishment for the offense of operating a motor vehicle without liability insurance. Under current statute, a first offense is punishable by a fine of between \$175 and \$350 and a subsequent offense is punishable by a fine of between \$350 and \$1,000. The proposed change in statute would make a first offense a Class C misdemeanor, which is punishable by a fine not to exceed \$500. The proposed change would make a subsequent offense a Class B misdemeanor, which is punishable by a fine not to exceed \$2,000, confinement in county jail not to exceed 180 days, or both.

The bill would also change the maximum fine from \$500 to \$2,000 for a violation of an offense of not establishing financial responsibility.

The bill would repeal Section 601.191(d), which authorizes a court to reduce the fine to less than \$175 if a person convicted of an offense has not previously been convicted of the same offense and is economically unable to pay the fine.

The bill would apply to an offense committed on or after the effective date of the bill, which would be September 1, 2007.

Local Government Impact

The amount of increased revenue resulting from higher maximum fines would vary by local governmental entity depending on how many offenses result in a conviction and what amount of fine the court imposes. Costs associated with confinement in county jail would also vary depending on the number of persons convicted for a subsequent offense and the discretion of the court. County jail costs also vary by county.

Source Agencies:

LBB Staff: JOB, KJG, DB