

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

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

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

IN RE: HB3088 by Phillips (Relating to the fee for a permit to operate an overweight motor vehicle.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3088, As Introduced: a negative impact of (\$12,051,000) 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	(\$5,738,000)
2009	(\$6,313,000)
2010	(\$6,944,000)
2011	(\$7,639,000)
2012	(\$8,404,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain from <i>STATE HIGHWAY FUND</i> 6
2008	(\$5,738,000)	\$9,718,000
2009	(\$6,313,000)	\$10,691,000
2010	(\$6,944,000)	\$11,760,000
2011	(\$7,639,000)	\$12,936,000
2012	(\$8,404,000)	\$14,231,000

Fiscal Analysis

The bill would amend the Transportation Code to require that the excess-weight permit fees collected under Transportation Code Section 623.0111 be deposited to the State Highway Fund and specify that the funds are to be appropriated only to the Comptroller of Public Accounts (CPA) for distribution to the counties designated on the permit application. The bill would remove the language under current law which requires CPA to remit to the counties the administrative fee imposed under Transportation Code Section 623.0112. The bill would amend Transportation Code Section 623.0111 to increase the additional fee amounts for travel in one to 80 counties and reduce the fees for travel in 81 to 254 counties. The provisions of the bill would only apply to a permit application filed on or after September 1, 2007.

The bill would take effect on September 1, 2007.

Methodology

Based on the information provided by the Texas Department of Transportation (TxDOT), it is assumed approximately 33,800 permits will be issued in 2008 and the number of permits issued will increase by 10 percent each year. Based on the analysis of CPA and TxDOT, the provisions of the bill would result in a revenue loss to the General Revenue Fund of \$5,738,000 in 2008 based on the current fee structure and a revenue gain to the State Highway Fund of \$9,718,000 in 2008 based on the fees established by the bill. It is assumed the resulting losses to the General Revenue Fund and increases to the State Highway Fund would increase based on a 10 percent growth in the number of permits issued each year thereafter.

CPA indicates that the bill would create a dedicated revenue source. Legislative policy, implemented as Government Code Section 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993, and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG