

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 24, 2007

TO: Honorable Wayne Smith, Chair, House Committee on County Affairs

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

IN RE: HB3962 by Castro (Relating to an optional county fee on registration of a vehicle to fund facilities that enhance pedestrian and bicycle safety.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would add Section 502.1725 to Subchapter D, Chapter 502 of the Transportation Code to authorize a county commissioners court to by order impose an additional fee, not to exceed \$10, for registering a vehicle in the county. The fee may take effect only on January 1 of a year and the county must adopt the order and notify the Texas Department of Transportation (TxDOT) no later than September 1 of the year preceding the year in which the fee would take effect. The county tax assessor-collector or TxDOT may collect the fee. If TxDOT collects the fee, the agency must send all fees collected for a county to the county treasurer or county official who serves in that function. The fee would be required to be used to acquire rights-of-way for and construct and maintain facilities that enhance pedestrian and bicycle safety on a public highway located in the county, including bicycle lanes and sidewalks.

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.

Based on the analysis of TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

Local Government Impact

The revenue gain to counties would vary, depending on how many vehicles would be registered in a county imposing the extra fee and at what amount the county would set the fee. As an example, El Paso County assumed imposing a fee of \$7.50 for the 552,750 vehicles registered in the county, for a first-year revenue gain of \$4,145,625. There may be some administrative costs, but it is anticipated that those would not be significant.

Source Agencies: 601 Department of Transportation

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