

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 24, 2007**

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate

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

**IN RE: SB11** by Carona (Relating to homeland security; providing penalties. ), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB11, As Passed 2nd House: 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 from <i>STATE HIGHWAY FUND</i> 6	Probable (Cost) from <i>STATE HIGHWAY FUND</i> 6	Probable (Cost) from <i>OPER &amp; CHAUFFEURS</i> <i>LIC AC</i> 99
2008	\$21,099,555	(\$12,690,323)	(\$239,113)
2009	\$21,479,350	(\$8,941,926)	(\$86,701)
2010	\$21,865,975	(\$8,941,926)	(\$86,701)
2011	\$22,259,565	(\$8,941,926)	(\$86,701)
2012	\$22,660,235	(\$8,941,926)	(\$86,701)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	122.0
2009	122.0
2010	122.0
2011	122.0
2012	122.0

**Fiscal Analysis**

The bill would require the Emergency Management Division (EMD) within the Texas Department of Public Safety (DPS) to administer the Texas Statewide Mutual Aid System (system). In administering the system, the bill requires the EMD to assist political subdivisions in planning and implementing comprehensive all-hazards emergency management programs, including assisting political subdivisions to ensure that the local emergency management plan of each subdivision adequately provides for the rendering and receipt of mutual aid. The bill also would require the EMD to administer all requests for reimbursement for costs associated with providing mutual aid assistance in response to a request made by the state for an incident resulting in the issuance of a federal disaster declaration. The bill would require the EMD to develop reimbursement request procedures. The bill would require the EMD to coordinate the establishment and maintenance of a list of state employees who are amateur radio operators.

The bill would amend the Transportation Code to require the Texas Department of Transportation (TxDOT) to develop and maintain secure, real-time databases of information on vehicles to which dealers and converters have affixed temporary cardboard tags and on persons to whom temporary buyer's tags are issued to be managed by the vehicle titles and registration division of TxDOT. The bill would specify that the databases must allow law enforcement agencies to use the vehicle-specific number assigned to and displayed on the temporary tag to obtain information about the dealer or converter that owns the vehicle and on persons to whom temporary tags are issued. The bill would require a vehicle dealer to charge a buyer a fee for a temporary cardboard tag of not more than \$5, as prescribed by TxDOT, to be sent to the Comptroller for deposit to the credit of the State Highway Fund. The bill would establish criminal penalties for unauthorized production, reproduction, purchasing, selling, or displaying of a temporary tag. The bill would require TxDOT to adopt rules to implement the new temporary tag databases and procedures as soon as practicable after the effective date of the act.

The bill requires that the state reimburse a city or county that provides temporary housing or emergency shelters during an emergency or disaster declared by the Governor. The bill provides reimbursable costs are all expenses, including lost revenue, associated with the use of public facilities for temporary housing or emergency shelters, and salaries and benefits of city/county personnel performing duties associated with the evacuation of persons during an emergency or disaster.

The bill would add Government Code, Chapter 418.005, Emergency Management Training, which requires state and local elected and appointed officials to complete no less than three hours of emergency management training within 180 days of assuming office. The Department of Public Safety's (DPS) Emergency Management Division (EMD) would be responsible for making the training available or approving suitable training offered by another governmental body. The bill states EMD or another entity to make at least one emergency management training course available on videotape or a similar readily available media. The bill states the EMD or another entity approved to provide the required training must provide a certificate of course completion. The bill states public officials who attend the training are required to maintain and make available for public inspection their certificates of training. The bill states each elected or appointed public official who has taken the oath of office or assumed the person's responsibilities before January 1, 2008, must complete the course by January 1, 2009.

The bill would add Transportation Code, Section 521.032, Enhanced Driver's License or Personal Identification Certificate, which states DPS may issue an enhanced driver license or personal identification certificate for the purposes of crossing the international border between Texas and Mexico. The bill states if DPS issues an enhanced driver license or personal identification certificate, the agency shall continue to issue a standard driver license and personal identification certificate and offer each applicant the option of receiving a standard or enhanced driver license or personal identification certificate. The bill would require the enhanced driver licenses or personal identification certificates to have reasonable security measures and provide for the protection against unauthorized release of information about the holder. The bill states DPS may set a fee for the issuance of an enhanced driver licenses or personal identification certificates to cover the cost of implementing and administering this section. The bill would allow DPS to enter into a memorandum of understanding with any federal agency to facilitate the crossing of the border between Texas and Mexico. The bill states a person may not sell or otherwise or disclose biometric information accessed from an enhanced driver's license or identification chip. The bill would also require the DPS to implement a statewide

education campaign to educate participants.

The bill would amend the Transportation Code to specify that a police and/or emergency vehicle, which is exempt from payment of tolls on certain toll facilities under current law, is exempt from payment of tolls on such facilities regardless of whether the emergency vehicle is responding to an emergency, displaying a flashing light, or marked as an emergency vehicle.

The bill adds adverse or unexpected events related to vaccinations to the list of elements contained in an immunization record. The bill requires the Department of State Health Services (DSHS) to maintain, within the immunization registry, a registry of persons who receive an immunization, antiviral, or other medication administered to prepare for or in response to certain emergencies or events specified by the bill; the registry must track adverse reactions to these immunizations, antivirals, and other medications. The executive commissioner of the Health and Human Services Commission (HHSC) is required to determine by rule the period during which records related to disasters and emergencies must remain in the registry; DSHS must remove records at the end of this period unless written consent to continued inclusion is obtained. The bill allows first responders and their immediate family members to request that a health care provider who administers an immunization to the individual to provide data elements regarding that immunization to DSHS for inclusion in the immunization registry. First responders and their immediate family members may also provide their immunization history directly to DSHS for inclusion in the immunization registry. The executive commissioner of HHSC is required to adopt rules related to immunization records of first responders and their family members. The bill requires DSHS to develop a program for informing first responders about the immunization registry and the benefits of being included in the registry. Unless otherwise provided, DSHS must retain information in the immunization registry until the person's death. DSHS is required to notify persons for whom immunization information is included in the registry within 180 days of their 18th birthday that the information will remain in the registry unless the person withdraws consent. DSHS is required to consult with public health departments and appropriate health care providers to identify adult immunizations that may be necessary to respond to or prepare for a disaster or public health emergency.

The bill provides a mechanism for the DSHS or a health authority to order a group of five or more persons, who have been exposed to or infected with a communicable disease, to implement control measures that are reasonable and necessary to prevent the introduction, transmission, and spread of the disease. The bill allows a health care facility that accepts a person to pursue reimbursement from any appropriate source, such as a third-party public or private payor or disaster relief fund.

The bill would amend the Penal Code to expand the number and type of actions included in the offense of trafficking of persons.

Except as otherwise provided by the bill, the bill would take effect on September 1, 2007. Provisions of the bill relating to certain disaster response procedures for political subdivisions would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2007.

## **Methodology**

Based on the analysis of DPS, it is assumed the costs and duties associated with implementing the emergency management provisions of the bill could be absorbed within the agency's current appropriations and, therefore, would not result in a significant fiscal impact to the state.

Based on the information and analysis provided by TxDOT, it is assumed that a revenue gain of approximately \$21.1 million would result from the issuance of an estimated 4.1 million buyer's temporary cardboard tags at \$5 each in fiscal year 2008, and that the number of transactions would increase by 1.8 percent each year thereafter. The fees would be deposited to the credit of the State Highway Fund, pursuant to the provisions of the bill. It is assumed any costs or duties associated with implementing the applicable provisions of the bill could be absorbed with the agency's existing resources.

Currently, during a federally declared disaster, the Federal Emergency Management Agency (FEMA)

reimburses local entities for costs associated with the operation of emergency shelters, including overtime for government employees, shelter security, food, water, and basic medical care. However, FEMA does not reimburse for regular-time salaries or lost revenue for facilities used as emergency shelters. There are no comprehensive estimates of lost revenues and regular-time salary costs associated with previous disasters for cities and counties in Texas. In addition, the nature of future disasters (size, duration, and location) is unknown. As a result, the fiscal implications to the state from reimbursing a city or county for costs associated with the operation of emergency shelters cannot be determined.

DPS states that 1 additional FTE per year would be required to implement the provisions of the bill, relating to emergency management training for local elected and appointed officials, due to development of the training course (1 training specialist) to serve as the training program manager to develop the curriculum and operate the online course. Other operating expenses such as maintenance and repair of office machines and computer equipment, computer supplies, non-capital computer equipment, and furniture and equipment, are also included in the cost estimate. Total costs from the Operators and Chauffeurs License Account No. 99 are estimated to be \$239,113 in fiscal year 2008 and \$86,701 each year thereafter.

The bill would authorize DPS to set a fee for the issuance of enhanced driver licenses or personal identification certificates to cover the cost of implementing and administering this section of the bill. DPS indicates that the amount of estimated revenue that would be collected is not known at this time because it is unknown how many individuals would request an enhanced driver license or personal identification certificate, and the amount charged per license or certificate would depend on the estimated population served. Therefore, potential fee revenue implications related to the issuance of enhanced drivers license or personal identification certificates are not reflected in the tables above. DPS currently does not receive driver license fees as part of their appropriations. This analysis assumes the potential fees collected would be a revenue gain for the General Revenue Fund and additional appropriation authority would be required to allow these additional fees to pay for DPS costs of implementing the proposed program.

The bill would require each customer to select either an enhanced or standard driver license or personal identification certificate. DPS estimates that an additional 121 FTEs (120 Administrative Assistant I positions at \$21,992 and 1 program administrator) would be required due to increased driver license or personal identification certificate process and wait times. In 2006, DPS states the driver license division processed approximately 5,869,064 driver licenses or personal identification certificates. DPS states the enhanced driver licenses or personal identification certificates would be processed in person at a driver license location. At each location, DPS estimates an additional processing time of three minutes total (2 minutes x 5,869,064 driver licenses or personal identification certificates + 1 minute x 1,049,711 Immigration and Naturalization document holders) per transaction results for a total of 12,787,839 additional processing minutes per year. Additional transaction hours were divided by the number of FTE working minutes in a year (108,750) resulting in an additional 117 FTEs per year (12,787,839 / 108,750). DPS states the remaining 4 FTEs would provide management support and customer service to phone calls and electronic messages about the program. Additional equipment and office modifications will be required for license issuance lanes. Modification for one (1) issuance lane is estimated at \$3,750. Therefore, projected cost for office modifications is \$438,750 (117 x \$3,750) plus costs for issuance lane equipment consisting of a desktop and printer for each FTE. Other operating expenses include maintenance and repair of office machines and computer equipment, computer supplies, non-capital computer equipment, and furniture and equipment.

TxDOT indicates that the provisions of the bill, relating to exempting certain emergency vehicles from the payment of tolls, would impact toll revenues to the state but is not able to quantify the fiscal impact. Based on the analysis of TxDOT, it is assumed the provisions of the bill would not result in a significant fiscal impact to the state.

It is assumed that any costs to DSHS associated with modifications to the immunization registry, developing an educational program for first responders, and other applicable provisions of the bill could be absorbed within available resources.

Broadening the definition of the types of behavior punishable under the offense of trafficking of

persons is expected to result in increased demands upon the correctional resources of counties or of the State due to an increase in offenses. It is assumed the number of persons convicted under this statute would not result in a significant impact on programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

### **Technology**

This analysis includes technology costs estimated for programming changes to the new driver license system, computers, printers, and enterprise software agreements totaling \$2,249,994 in 2008. Fiscal years 2009 through 2012 have a technology impact of \$18,029 per year for continued enterprise software agreements.

### **Local Government Impact**

There would be no fiscal impact on an incorporated city, county, or joint board to appoint an emergency management director as outlined in the bill. It is assumed that a local governmental entity would enter into an agreement to render mutual aid assistance only if the funds are available or with the understanding that there would be costs associated with providing the assistance.

The number and amount of distributions for reimbursements to an eligible local government from resources available to the state under the provisions of the bill would depend on the amount of available funds, the number of declared disasters in the state in any given fiscal year, and the number of applications for assistance made to the state.

**Source Agencies:** 301 Office of the Governor, 405 Department of Public Safety, 601 Department of Transportation, 701 Central Education Agency

**LBB Staff:** JOB, ES, SD, TG, KJG, MW, VDS, GG, SMi