

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB1723 by Ogden (Relating to the collection of surcharges assessed under the driver responsibility program.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would implement recommendations in the LBB *Government Effectiveness and Efficiency Report* entitled "Increase Driver Responsibility Program Collections and Offender Compliance."

The bill would amend Chapter 708 of the Transportation Code, relating to the collection of surcharges assessed under the driver responsibility program. The bill would allow the Department of Public Safety (DPS) to reinstate an installment plan after person fails to make a required installment payment. The bill would further authorize DPS to modify a contract or enter into additional contracts to collect uncollected surcharges, limiting compensation to the contractor to no more than 30 percent of the amount of the surcharges and related cost. The bill would also authorize DPS to establish a periodic amnesty program for holders of a driver's license on which a surcharge has been assessed for certain offenses, and would further permit DPS to reduce a surcharge or the length of an installment plan when surcharged drivers have otherwise complied with the law or sought rehabilitation. The bill would allow DPS by rule to establish an indigency program for surcharged drivers.

The bill would take effect September 1, 2007.

The modifications to available collection methods in this bill could result in a revenue gain for currently uncollected surcharges. However, due to uncertainties in the data related to individuals with a history of prior noncompliance, the revenue gain cannot be estimated at this time.

DPS has estimated a cost of \$225,000 for driver license system modifications, which DPS estimates it will unable to complete until January 1, 2008. It is assumed that DPS could absorb these costs within the agency's current appropriations and therefore would not result in a significant fiscal impact to the state.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, ES, KJG, JI, HC