

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 22, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: SB2027 by Shapleigh (Relating to a border crossing initiative and issuance of an enhanced driver's license or personal identification certificate by the Department of Public Safety.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2027, As Introduced: 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 Savings/(Cost) from STATE HIGHWAY FUND 6	Change in Number of State Employees from FY 2007
2008	(\$12,690,323)	121.0
2009	(\$8,941,926)	121.0
2010	(\$8,941,926)	121.0
2011	(\$8,941,926)	121.0
2012	(\$8,941,926)	121.0

Fiscal Analysis

The bill would amend the Transportation Code relating to a border crossing initiative and issuance of an enhanced driver's license or personal identification certificate by the Department of Public Safety (DPS).

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 would also require the DPS to implement a statewide education campaign to educate participants. The bill would take effect immediately if it is passed by two-thirds votes of all members of each house. Otherwise, the bill would take effect on September 1, 2007.

Methodology

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. DPS states the amount of estimated revenue collected is not known at this time because it is unknown how many individuals will request an enhanced driver license or personal identification certificate and the amount charged per license or certificate would depend on the estimated population served. 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 field personnel will be required to ask each customer which type of driver license or personal identification certificate they would prefer and explain the difference between each. DPS states they are unable to determine the number of customers that would select the enhanced 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.

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

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

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, KJG, GG, LG