

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

TO: Honorable Joseph Pickett, Chair, House Committee on Transportation

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

IN RE: HB141 by Gonzalez Toureilles (Relating to evidence of motor vehicle financial responsibility; providing a penalty.), **As Introduced**

Depending upon the number of cases prosecuted, there would be an indeterminate amount of revenue gain to the state.

The bill would amend the Transportation Code by specifying that a driver who does not provide a peace officer evidence of financial responsibility commits a Class C misdemeanor. The bill would also add a provision that would authorize a court to dismiss the charge if the person presents to the court appropriate documents that prove financial responsibility at the time the offense occurred. The court would be authorized to impose an administrative fee not to exceed \$10 when the charge is dismissed.

The bill would add Section 601.2611 to the Transportation Code to require a storage facility that impounded a vehicle because it had been operated by a person who did not show evidence of financial responsibility to release the vehicle and waive storage fees if the driver provides proof of financial responsibility within 48 hours of impoundment. The municipality that authorized the impoundment would be required to pay the waived impoundment and storage fees.

The bill would take effect September 1, 2009.

Under current statute, failure to provide proof of financial responsibility is a misdemeanor punishable by a fine not to exceed \$500 or 90 days in jail, or both. Under the proposed change in statute, the offense would be specified as a Class C misdemeanor, which is punishable by a fine only, not to exceed \$500. Because the state receives \$52 in fees for this type of Class C misdemeanor, the state would realize an increase in revenue.

Local Government Impact

Because the maximum amount of the fine that would be imposed for an offense of failure to provide evidence of financial responsibility would not change, that portion of the bill would have no fiscal impact on units of local government. If a court had imposed jail time under existing statute and would not have that option under the proposed change, there would be a slight savings in costs to local jails. Because the courts would be authorized to impose an administrative fee of up to \$10 for dismissing the charges, local governments would realize a revenue increase to help offset court costs. The amount of revenue would vary by local government and would depend on the number of applicable cases.

The proposed addition of Section 601.2611 would apply only to the City of San Antonio; therefore, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KJG, SD, DB