

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 22, 2009

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

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

IN RE: HB2553 by Hilderbran (Relating to the registration and operation of certain motor vehicles.),
Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB2553, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2011.

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
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain/(Loss) from <i>Counties</i>
2010	\$0	\$0
2011	\$0	\$0
2012	\$1,417,225	\$2,753,252
2013	\$1,442,565	\$2,813,320
2014	\$1,468,346	\$2,874,715

Fiscal Analysis

The bill would amend provisions in Chapter 502 of the Transportation Code relating to motor vehicle registration fees. The bill would establish a registration fee of \$50.75 for a vehicle, including a motor bus, with a gross weight of 6,000 pounds or less. The bill would establish a new registration fee schedule for vehicles with a gross weight of more than 6,000 pounds (ranging from \$54 for a vehicle between 6,001 and 10,000 pounds and up to \$840 for a vehicle between 70,001 and 80,000 pounds). The bill would set the registration fee for a road tractor based on weight at the rates established by the bill for vehicles with a gross weight of up to or more than 6,000 pounds. The bill would set the fee for a trailer, travel trailer, or semitrailer under 6,000 pounds at \$45. The bill would prescribe a registration fee for certain truck-tractors or commercial motor vehicles with a gross weight of more than 10,000 pounds and certain trailers over 6,000 pounds based on the schedule established for certain vehicles with a gross weight exceeding 6,000 pounds. The bill would increase the fee for a replacement

registration insignia from \$5 to \$6 and set the fee for replacement license plates at \$6. The bill would eliminate the initial license plate issuance fee for classic motor vehicles, cotton vehicles, forestry vehicles, tow trucks, and radio operator and volunteer firefighter license plates. The bill would repeal the 30 cent license plate reflectorization fee. The bill would reduce the fee for a golf cart license plate from \$10 to \$6. These provisions of the bill would take effect on September 1, 2011.

The bill would amend various provisions of the Transportation Code and establish new Subchapter F relating to the authority for and limitations on the operation of golf carts on certain public roadways, public or private beaches, and within a master planned community. The bill would prohibit the Texas Department of Transportation (TxDOT) from registering a golf cart for operation on a public highway. The bill would specify that TxDOT is authorized to issue license plates for a golf cart as authorized under current law. The bill would authorize the governing body of a municipality to allow the operation of a golf cart on a public highway within the corporate boundaries of the municipality if the posted speed limit on the public highway is not more than 35 miles per hour and the golf cart has the equipment specified by the bill. These provisions of the bill would take effect September 1, 2009.

The bill would amend the Parks and Wildlife Code and the Transportation Code to expressly include recreational off-highway vehicles (ROV) in the definition of off-highway vehicles and to differentiate them from the definition of an "All-Terrain Vehicle." According to the Texas Parks and Wildlife Department (TPWD), ROVs are equipped with four wheels, and have non-straddle seats for both a driver and passenger if equipped (conversely ATVs have straddle seats). TPWD indicates that ROV owners using off-highway trails must purchase a off-highway decal under current law. These provisions of the bill would take effect September 1, 2009.

Methodology

Based on the information and analysis provided by the Texas Department of Transportation (TxDOT) and the Comptroller's office, it is assumed the provisions of the bill would result in a net revenue gain to the State Highway Fund and to the counties. The estimated revenue impacts included in the table above are based on TxDOT's estimates for the number of applicable vehicle registrations and other transactions under current fees compared to the fees that would be established or repealed by the provisions of the bill and the average allocation of fee revenues between the state and the counties. TxDOT indicates that the proposed single registration fee for certain vehicles with a gross weight under 6,000 pounds and the proposed fee schedule for certain vehicles with a gross weight exceeding 6,000 pounds would result in a reduction in registration fees for some vehicles and an increase if registration fees for other vehicles compared to the current fee structure. Based on the analysis of TxDOT, it is assumed the provisions of the bill would result in a net positive revenue impact to the State Highway Fund beginning in fiscal year 2012.

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

No fiscal implication to the State is anticipated from implementation of the provisions of the bill concerning ROVs.

Local Government Impact

The estimated fiscal implications to units of local government are reflected in the table above.

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation, 802 Parks and Wildlife Department

LBB Staff: JOB, KJG, MW, TG, TP, SZ