

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 10, 2009

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

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

IN RE: HB2571 by Gonzales (Relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities. The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules for denial of an application for a tow truck permit or towing operator or company license.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require TDLR to consider existing private property towing fee studies conducted by municipalities in Texas and to conduct studies of private property towing fees in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

Based on the analysis of the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. TDLR indicates that there would be some cost to implement the provisions of the bill, but these costs are expected to be absorbed within the agency's existing budget.

Local Government Impact

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

Source Agencies: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

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