

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 3, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

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

IN RE: HB2613 by Heflin (Relating to the allocation of gasoline tax to county roads.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2613, As Introduced: 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.

All Funds, Six-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>Co & Rd District Hwy Fund</i> 57	Probable Revenue Gain from <i>Special County Road Assistance Program</i>
2009	(\$22,700,000)	\$7,700,000	\$15,000,000
2010	(\$22,700,000)	\$7,700,000	\$15,000,000
2011	(\$22,700,000)	\$7,700,000	\$15,000,000
2012	(\$22,700,000)	\$7,700,000	\$15,000,000
2013	(\$22,700,000)	\$7,700,000	\$15,000,000
2014	(\$22,700,000)	\$7,700,000	\$15,000,000

The above table assumes an effective date of July 1, 2009. The table below assumes an effective date of September 1, 2009.

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>Co & Rd District Hwy Fund</i> 57	Probable Revenue Gain from <i>Special County Road Assistance Program</i>
2010	(\$22,700,000)	\$7,700,000	\$15,000,000
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2014	(\$22,700,000)	\$7,700,000	\$15,000,000

Fiscal Analysis

The bill would amend Chapter 162 of the Tax Code, relating to the allocation of the gasoline tax.

The allocation of revenue from the gasoline tax under current law, after a deposit for administration and enforcement; after an allocation of unclaimed refundable gasoline taxes; and after an allocation of other unclaimed refundable non-dedicated taxes are all made, is as follows: (1) one-fourth is deposited to Available School Fund; (2) one-half is deposited to State Highway Fund for the construction and

maintenance of the state road system under existing law; and (3) from the remaining one-fourth, \$7,300,000 is deposited to the County and Road District Highway Fund each fiscal year, and the remainder is deposited to the State Highway Fund to be used by the Texas Department of Transportation (TxDOT) for the construction, improvement, and maintenance of farm-to-market roads.

The bill would change the allocation for the last one-fourth of gasoline tax revenues as follows: \$15,000,000 would be deposited to the County and Road District Highway Fund each fiscal year; \$15,000,000 would be deposited to the credit of the special county road assistance program, established by Subchapter D, Chapter 615, Local Government Code, each fiscal year; and the remainder would be deposited to the State Highway Fund to be used by TxDOT for the construction, improvement, and maintenance of farm-to-market roads.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2009.

Methodology

The special county road assistance program is not a fund, but is a program. A new allocation to that program from gasoline tax revenue would lower by the same amount allocations to State Highway Fund. State Highway Fund allocations from that revenue source also would be reduced, dollar for dollar, by the increased allocation to the County and Road District Highway Fund.

Local Government Impact

The bill would increase the amount of the remaining one-fourth of gasoline tax receipts deposited to the county and road district highway fund from \$7.3 million to \$15 million each fiscal year, in addition to a deposit of \$15 million each fiscal year to the special county road assistance program.

According to data in the “Biennial Revenue Estimate for 2010-2011” published in January 2009 by the Comptroller of Public Accounts, the gasoline tax generated revenue estimated to be more than \$2.3 billion, which would result in the county and road district highway fund and the special county fund receiving the maximum amount allowed. The bill would result in a significant positive fiscal impact to counties.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, KK, TP