

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 7, 2009

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

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

**IN RE: HB3056** by Turner, Sylvester (Relating to the driver responsibility program.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3056, As Introduced: a negative impact of (\$42,500,000) through the biennium ending August 31, 2011.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$17,000,000)
2011	(\$25,500,000)
2012	(\$34,000,000)
2013	(\$42,500,000)
2014	(\$42,500,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Trauma Facility And Ems 5111
2010	(\$17,000,000)	(\$16,800,000)
2011	(\$25,500,000)	(\$25,200,000)
2012	(\$34,000,000)	(\$33,600,000)
2013	(\$42,500,000)	(\$42,000,000)
2014	(\$42,500,000)	(\$42,000,000)

Fiscal Analysis

The bill would amend Chapter 708 of the Transportation Code to require the Department of Public Safety (DPS) to send a second and third notice to offenders about outstanding surcharges due under the Driver Responsibility Program (DRP). Current statute requires the department to notify offenders once. Under current law, if the offender has failed to pay the surcharge or enter into an installment agreement by the 30th day after notification, the offender's license is automatically suspended. The bill would extend the automatic suspension until the 30th day after the third notification.

The bill would modify DRP installment agreements. Current law states that DPS may not permit offenders to enter into installment agreements of a period more than 36 consecutive months. The bill would state that DPS cannot require an offender to enter into an installment agreement of less than 36 consecutive months.

The bill would extend a court's jurisdiction for a conviction resulting in a surcharge to the person who is assessed a surcharge and DPS and all agents of the department regarding all matters related to the surcharge. The bill would allow a court to reduce or waive a surcharge and would establish that all

persons required to pay a surcharge could invoke the jurisdiction of the court.

The bill would require DPS to waive a surcharge for a person considered indigent. The bill would define an indigent person as a person represented by appointed counsel at the trial of the offense that resulted in the surcharge.

### **Methodology**

Approximately \$166 million was collected from surcharges in fiscal 2008. The bill would allow a court to reduce or waive surcharges for an offender. Surcharges could not be assessed on an indigent person. Revenue from the DRP is dedicated 50.5 percent to General Revenue Fund (which includes 1 percent for DPS administration) and 49.5 percent to GR Account-Dedicated Trauma and EMS 5111.

For the purposes of this estimate, the comptroller assumed that, through court-ordered reductions or waiving of surcharges and no collection of surcharges from indigent persons, revenue would decline by 20 percent in fiscal 2010, 30 percent in 2011, 40 percent in 2012, and 50 percent each year thereafter.

DPS estimates the costs for mailing two more notices at \$1,000,000 annually. DPS estimates that the modification to installment agreements would require it to send additional monthly reminders at an annual cost of \$2,000,000. It is assumed that these costs would be passed on to offenders.

DPS reports that it would manually process the surcharge adjustment for courts that cannot automate the process. DPS states that courts would need to request the status of a surcharge and implement automated processes for disposition of the surcharge. DPS states that an average of 639 surcharges become outstanding daily. Assuming that a majority of cases will be heard in municipal or justice courts that will be unable to automate the transfer of information, DPS estimates that it will need additional FTEs to handle the workload. It is assumed that the agency could implement the provisions of this bill within existing resources.

### **Local Government Impact**

Costs to local governments would vary depending on the number and size of court hearings requested by offenders under this bill.

**Source Agencies:** 304 Comptroller of Public Accounts, 405 Department of Public Safety

**LBB Staff:** JOB, KJG, JI, HC