

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 16, 2009

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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

IN RE: SB1098 by Carona (Relating to the issuance of "Choose Life" license plates and the creation of the Choose Life account in the general revenue fund.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1098, 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.

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 from <i>State Highway Fund</i> 6 | Probable Revenue Gain from <i>Counties</i> | Probable Revenue Gain from <i>New General Revenue Dedicated Choose Life Account</i> |
|-------------|---|--|---|
| 2010 | \$2,250 | \$150 | \$6,600 |
| 2011 | \$2,250 | \$150 | \$6,600 |
| 2012 | \$2,250 | \$150 | \$6,600 |
| 2013 | \$2,250 | \$150 | \$6,600 |
| 2014 | \$2,250 | \$150 | \$6,600 |

Fiscal Analysis

The bill would amend the Transportation Code to require the Texas Department of Transportation (TxDOT) to issue "Choose Life" specialty license plates. The bill would require the fee for issuance of the license plates, after deduction for TxDOT's administrative costs, to be deposited to the credit of a new Choose Life account in the General Revenue Fund. The bill would require the Attorney General to administer the account. The bill would specify that money in the account could only be spent to make grants to an eligible organization and defray the costs of administering the account. The bill would require the Attorney General by rule to establish guidelines for the expenditures; report on expenditure compliance; and appoint a seven-member advisory committee to assist in developing rules, reviewing grant applications, and making grant recommendations.

Methodology

Based on the information and analysis provided by TxDOT, this analysis assumes 300 of the new specialty license plates would be issued each year at a fee of \$30 each of which \$7.50 would be deposited to the State Highway Fund for TxDOT administrative expenses; \$0.50 would be retained by the counties; and \$22 would be deposited to the new Choose Life Account in the General Revenue Fund.

Based on the analysis of TxDOT and the Office of the Attorney General, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agencies' existing resources.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993, and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

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

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation, 701 Central Education Agency

LBB Staff: JOB, CL, TG, KJG, MW