

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB1616 by Wentworth (Relating to the fees for certain license plates.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1616, As Passed 2nd House: a positive impact of \$80,004 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	\$40,002
2011	\$40,002
2012	\$40,002
2013	\$40,002
2014	\$40,002

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain/(Loss) from <i>Sexual Assault Prog Acct</i> 5010	Probable Revenue Gain/(Loss) from <i>Counties</i>
2010	\$40,002	(\$37,752)	\$6,600	\$150
2011	\$40,002	(\$37,752)	\$6,600	\$150
2012	\$40,002	(\$37,752)	\$6,600	\$150
2013	\$40,002	(\$37,752)	\$6,600	\$150
2014	\$40,002	(\$37,752)	\$6,600	\$150

Fiscal Analysis

The bill would amend various provisions of the Transportation Code related to fees for specialty license plates.

SECTION 1 of the bill would specify that the fee for a souvenir license plate issued before September 1, 2009, is \$40; and the fee for a souvenir license plate issued after that date would be an amount established by the Texas Transportation Commission (TTC) under Section 504.851 (c), Transportation Code, which is an amount necessary to recover certain contract costs and other direct and indirect costs to the Texas Department of Transportation (TxDOT).

SECTION 3 of the bill would specify that the \$30 fee for specialty license plates for general distribution does not apply to a specialty license plate marketed and sold by a private vendor at the request of a sponsor under other provisions of the bill.

SECTION 5 of the bill would specify that the fee for certain specialty license plates created after September 1, 2009, would be an amount established by TTC under Section 504.851, Transportation Code.

SECTION 6 of the bill would authorize sponsors of certain specialty license plates created before September 1, 2009, to contract with the private vendor authorized by TxDOT for the marketing and sale of the specialty license plates. The fee for the plates would be the amount established by TTC under Section 501.851(c), Transportation Code: fees remaining after the deduction of TxDOT administrative costs would be deposited to the credit of a specialty license plate fund, if the sponsor nominated a state agency to receive the funds; or otherwise to the State Highway Fund.

SECTION 8: The bill would set the fee for the issuance of a personalized license plate issued before September 1, 2009, at \$40, unless the director [or TTC] adopts a higher fee by rule.

SECTION 9: The bill would repeal Section 504.101, Transportation Code, relating to the issuance of personalized license plates, which establishes a \$40 fee for the issuance personalized plates (\$30 for replacement plates) and dedicates \$1.25 of each fee for TxDOT administrative costs and requires the remainder of each fee to be deposited to the General Revenue Fund. The bill would also repeal Section 504.851 (m), which requires personalized and souvenir license plate fees collected in excess of amounts for TxDOT administrative costs and contract costs to be deposited to the General Revenue Fund.

The bill would require TxDOT to design and issue "specialty license plates to support the victims of sexual assault. After deduction of TxDOT's administrative costs, the remainder of the fee would be deposited to the credit of the sexual assault program fund account in the General Revenue Fund.

The bill would amend the Transportation Code to include fire protection personnel to the list of firefighters for which the Texas Department of Transportation (TxDOT) is required to issue specialty license plates. The bill would authorize the issuance of up to three sets, rather than one set, of the specialty license plates and specifies that the fee for issuance of each set of license plates is \$4 for volunteer firefighters and \$30 for fire protection personnel.

The bill would take effect on September 1, 2009.

Methodology

Based on the information provided by TxDOT, it is assumed the provisions of the bill would result in the deposit of revenue to the General Revenue Fund rather than the State Highway Fund from fees collected on four specialty license plates issued by the department for which no state agency has been designated as a recipient of the fees (less deductions for TxDOT administrative costs).

This analysis assumes 300 of the new specialty license plates to support victims of sexual assault 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 credited to the counties; and \$22 would be deposited to the credit of the Sexual Assault Program Fund Account in the General Revenue Fund.

Based on the analysis of TxDOT, it is assumed the provisions of the bill relating to the issuance of specialty license plates for certain fire protection personnel would not result in a significant impact to State Highway Fund revenues.

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

Local Government Impact

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

Source Agencies: 601 Department of Transportation, 304 Comptroller of Public Accounts

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