

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 13, 2009

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

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

IN RE: SB1636 by Carona (Relating to motor vehicle registration fees.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1636, Committee Report 2nd House, Substituted: 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	\$19,451,000
2013	\$20,034,000
2014	\$20,635,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>Counties</i>
2010	\$0	\$0	\$0
2011	\$0	\$0	\$0
2012	\$19,451,000	\$127,012,745	\$54,565,760
2013	\$20,034,000	\$130,254,232	\$55,981,739
2014	\$20,635,000	\$133,578,721	\$57,435,392

Fiscal Analysis

The bill would amend Chapter 501 of the Transportation Code to increase the fee for a certified copy of a lost or destroyed certificate of title from \$2 to \$25. The bill would amend provisions in Chapter 502 of the Transportation Code relating to motor vehicle registration fees. The bill would establish a registration fee of \$58 for a vehicle, including a motor bus, with a gross weight of 6,000 pounds or less. The bill would establish a new registration fee schedule for vehicles with a gross weight of more than 6,000 pounds that would include fees ranging from \$70 for a vehicle between 6,001 and 10,000 pounds and up to \$825 for a vehicle between 70,001 and 80,000 pounds. The bill would set the registration fee for a road tractor based on weight at the rates established by the bill for vehicles with a gross weight of up to or more than 6,000 pounds. The bill would set the fee for a trailer, travel trailer, or semitrailer under 6,000 pounds at \$40. The bill would prescribe a registration fee for certain truck-

tractors or commercial motor vehicles with a gross weight of more than 10,000 pounds and certain trailers over 6,000 pounds based on the schedule established for certain vehicles with a gross weight exceeding 6,000 pounds. The bill would set the fee for replacement license plates at \$15. The bill would eliminate the license plate issuance fees for certain disaster relief organization vehicles, Gold Star license plates, and radio operator license plates. The bill would decrease the registration fee for fertilizer vehicles and reduce fees for the issuance of license plates for peace officers, honorary consul, and log loader vehicles. The bill would increase the license plate issuance fees for volunteer firefighters, emergency medical services personnel, certain farm vehicles and machinery, cotton vehicles, and forestry vehicles. The bill would repeal the 30 cent license plate reflectorization fee. The bill would increase the fee for a golf cart license plate from \$10 to \$15.

The bill would amend Chapter 152 of the Texas Code to increase the motor vehicle gift tax imposed on a person receiving a motor vehicle as a gift from \$10 to \$50.

The bill would take effect on September 1, 2011.

Methodology

Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in a net revenue gain to the State Highway Fund and to the counties beginning in fiscal year 2012. The estimated revenue impacts included in the table above are based on TxDOT's estimates for the number of applicable vehicle registrations and other transactions under current fees compared to the fees that would be established or repealed by the provisions of the bill and the average allocation of fee revenues between the state and the counties.

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

Based on the analysis of the Comptroller's office, it is assumed the increase in the motor vehicle gift tax would result in a revenue gain of approximately \$19.5 million to the General Revenue Fund and \$1 million to the counties beginning in fiscal year 2012.

Local Government Impact

The estimated fiscal implications to units of local government are reflected in the table above.

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

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