

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 21, 2009

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: SB2018 by Watson (Relating to neighborhood vehicles and golf carts.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to define "neighborhood vehicle," which would include a golf cart under certain operating conditions, or certain motor vehicles designed to carry persons or property and to travel more than 10 but less than 35 miles per hour and that is designated as a neighborhood vehicle by the Texas Department of Transportation (TxDOT). The bill would remove the titling requirement for a golf cart if it is operated in daytime, within certain master planned communities, or on a public or private beach. The bill would require a neighborhood vehicle to be registered in order to operate on a street or highway. The bill would establish a registration fee of \$30 for a neighborhood vehicle. The bill would repeal provisions requiring specialty license plates and \$10 fee for golf carts in a specific county. The bill would require a registered neighborhood vehicle to receive a state vehicle inspection.

TxDOT indicates that the provisions of the bill would result in a revenue gain for golf carts registered in Grayson County (repeal of \$10 fee; replaced with new \$30 neighborhood vehicle fee) and a revenue loss for golf carts currently registered in other counties at an average fee of \$60 each per year. TxDOT also indicates there would be a revenue gain from additional golf carts that are not currently registered that would register as neighborhood vehicles under the provisions of the bill. The Department of Public Safety also indicates that requiring vehicle inspections for neighborhood vehicles as provided by the bill would result in a revenue gain to the Texas Mobility Fund from vehicle inspection fees. Based on the small number of applicable golf carts and other neighborhood vehicles, it is assumed the provisions of the bill would not result in a significant fiscal impact in revenues to the State Highway Fund or the Texas Mobility Fund and any costs associated with implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety, 304 Comptroller of Public Accounts, 601 Department of Transportation

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