

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 7, 2009

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

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

IN RE: SB2500 by Carona (Relating to the issuance of specialty license plates.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2500, As Introduced: a positive impact of \$13,200 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	\$6,600
2011	\$6,600
2012	\$6,600
2013	\$6,600
2014	\$6,600

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>New General Revenue Dedicated Choose Life Account</i>	Probable Revenue Gain from <i>Counties</i>
2010	\$6,600	\$4,500	\$6,600	\$300
2011	\$6,600	\$4,500	\$6,600	\$300
2012	\$6,600	\$4,500	\$6,600	\$300
2013	\$6,600	\$4,500	\$6,600	\$300
2014	\$6,600	\$4,500	\$6,600	\$300

Fiscal Analysis

The bill would require the Texas Department of Transportation (TxDOT) to issue specialty license plates for persons who are graduates of the United States Merchant Marine Academy, the United States Coast Guard Academy, or the Uniformed Services University of the Health Sciences Academy.

The bill would require TxDOT to issue specially designed license plates to honor the Texas Buffalo Soldiers.

The bill would amend the Transportation Code to require the 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.

The bill would take effect on September 1, 2009.

Methodology

Based on the information and analysis provided by TxDOT, this analysis assumes 300 of the new Texas Buffalo Soldier 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 General Revenue Fund (the bill does not specify a fund or account).

Based on the information and analysis provided by TxDOT, this analysis assumes 300 of the new Choose Life 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.

There would be no additional fees associated with the issuance of the new federal service academy specialty plates.

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: 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG