

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 21, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB1422 by Truitt (Relating to the issuance of titles for certain motor vehicles that are the subject of insurance claims.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code relating to the issuance of titles for certain motor vehicles that are the subject of insurance claims. The bill would authorize the Department of Motor Vehicles (DMV) to adopt rules to implement certain provisions of the bill. The bill would outline procedures for the sale of certain motor vehicles by a salvage pool operator. The bill would specify that if a motor vehicle were sold to satisfy the allowable costs incurred by a salvage pool operator and the previous owner of a motor vehicle and the lienholder could not be identified or located, then any excess proceeds from the sale of the motor vehicle would escheat to the state. The proceeds would be administered by the Comptroller and disposed of in the manner provided by Chapter 74 of the Property Code.

Based on the analysis of DMV, the Texas Department of Insurance, and the Comptroller's office, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. The Comptroller's office indicates that an indeterminate amount of funds would escheat to the state from unclaimed excess proceeds from the sale of a motor vehicle for which the previous owner or the lienholder could not be identified or located. For the purposes of this analysis, it is assumed the amount of funds that could escheat to the state under the provisions of the bill would not be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles, 454 Department of Insurance

LBB Staff: JOB, KJG, MW, CH, SD, TG