

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 25, 2011**

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

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

**IN RE: HB1541** by McClendon (Relating to the prevention of automobile burglary and theft.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1541, As Passed 2nd House: a positive impact of \$37,029,000 through the biennium ending August 31, 2013.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2012	\$18,287,000
2013	\$18,742,000
2014	\$19,196,000
2015	\$19,650,000
2016	\$20,105,000

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from General Revenue Fund 1</b>
2012	\$18,287,000
2013	\$18,742,000
2014	\$19,196,000
2015	\$19,650,000
2016	\$20,105,000

**Fiscal Analysis**

The bill would implement recommendations in the report "Improve the Effectiveness of Motor Vehicle Theft Prevention Programs in Texas" in the Legislative Budget Board's *Government Effectiveness and Efficiency Report* submitted to the Eighty-second Texas Legislature, 2011.

The bill would amend Article 4413 of Vernon's Civil Statutes to require the Automobile Burglary and Theft Prevention Authority (ABTPA) to develop and use standard performance measures for each category of grants it provides. ABTPA would be required to ensure that grants are used to help increase the recovery rate of stolen motor vehicles, clearance rate of motor vehicle burglaries and thefts, and the number of persons arrested for motor vehicle burglary and theft. The bill would require ABTPA to allocate grant funds primarily based on the number of motor vehicles stolen in or motor

vehicle burglary or theft rate across the state. ABTPA would be required to biennially update a plan of operation and provide it to the Legislature.

The bill would authorize the Department of Public Safety (DPS) to administer, rather than require, a statewide motor vehicle registration program. DPS would be required to collect data regarding theft rates and types of motor vehicles enrolled in the program, the recovery rate for stolen motor vehicles enrolled in the program, and the clearance rate of burglaries and thefts of motor vehicles enrolled in the program.

The bill would also amend Section 10, Article 4413(37), Revised Statutes, to require an insurer to pay a fee of \$2, rather than \$1, multiplied by the total number of motor vehicle years of insurance for policies delivered, issued, or renewed. The bill would authorize fifty percent of each fee to be appropriated only to the Automobile Burglary and Theft Prevention Authority.

### **Methodology**

The bill would increase the Automobile Burglary and Theft Prevention Authority fee paid by insurers from \$1 to \$2 per motor vehicle year of insurance. It is assumed that the fee increase would have no effect on the number of motor vehicle policies issued, delivered, or renewed. Estimates of revenue generated from the increased fee are based on the Comptroller of Public Accounts 2012-13 *Biennial Revenue Estimate*.

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, Section 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.

### **Technology**

The Comptroller of Public Accounts anticipates a one-time technology cost for notifying taxpayers of the new tax fee on tax forms and publications, system programming, project management, and security controls. It is assumed this cost could be absorbed within existing resources.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 405 Department of Public Safety, 608 Department of Motor Vehicles, 304 Comptroller of Public Accounts

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