

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 22, 2011

TO: Honorable Larry Phillips, Chair, House Committee on Transportation

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

IN RE: HB1669 by Harper-Brown (Relating to the establishment of an electric motor vehicle mileage fee pilot program by the Texas Department of Motor Vehicles.), **As Introduced**

There could be an indeterminate impact to the state to implement the provisions of this bill depending upon the number of electric vehicles registered in Texas that would participate in the pilot program.

The bill would require the Texas Department of Motor Vehicles (DMV), by rule, to establish and implement a statewide pilot program to assess owners of electric motor vehicles a vehicle mileage fee based on the number of miles traveled on public roads in Texas. The pilot program would be required to include all electric motor vehicles registered in Texas that would be subject to the mileage fee. DMV is unable to determine how many vehicles registered in Texas are electric vehicles that would be required to participate in the pilot program.

DMV would be required to set, by rule, the amount of the electric motor vehicle mileage fee on a per mile basis. Using information regarding the average annual mileage driven and average miles per gallon for 2010 passenger vehicles from the United States Department of Transportation, DMV estimates the electric motor vehicle mileage fee would be \$0.005935 per mile driven. The average electric vehicle would pay \$73.20 per year in mileage fees under this scenario. The bill does not indicate which fund this revenue would be deposited to.

DMV would incur costs to implement the pilot program. These costs could include technological support, incentives for participants to equip vehicles with an electronic reporting device, and a system to audit and verify payments made under the pilot program. Without knowing the number of vehicles that would participate in the program it is not possible to estimate the costs that would be associated with the pilot program that would be required by this bill.

The bill would expire September 1, 2013 and DMV would be prohibited from imposing a vehicle mileage fee under the pilot program after that date.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 608 Department of Motor Vehicles

LBB Staff: JOB, KJG, MW, MM