

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 26, 2011

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

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

IN RE: HB3032 by McClendon (Relating to the Texas rail relocation and improvement fund.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3032, As Introduced: an impact of \$0 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain/(Loss) from <i>Rail Relocation and Improvement Fund</i>
2012	(\$102,067,000)	\$102,067,000
2013	(\$103,087,000)	\$103,087,000
2014	(\$104,118,000)	\$104,118,000
2015	(\$105,159,000)	\$105,159,000
2016	(\$106,211,000)	\$106,211,000

Fiscal Analysis

The bill would amend provisions in the Transportation Code and the Occupations Code relating to the disposition of fees collected by the Texas Department of Motor Vehicles (DMV) and the Texas Department of Transportation (TxDOT) that are currently deposited to the State Highway Fund (Fund 0006) to direct the fees to be deposited to the Texas Rail Relocation and Improvement Fund (Fund 0306).

Fees that would be redirected to Fund 0306 from Fund 0006 under the provisions of the bill include the \$8 nonrepairable and salvage title fee; \$50 of each rebuilder fee; \$2 for a certified copy of a lost or destroyed certificate of title; \$3 from the certificate of title fee; the fee collected for a general distinguishing number (ranging from \$50 to \$500); the fee for a metal dealer license plate (\$5, \$20 or \$40); \$1.25 for each dealer's personalized prestige license plate; \$25 of each base fee from an

overweight vehicle permit fee; the additional fee for an overweight vehicle permit fee ranging from \$15 to \$125 depending on the number of counties designated on the permit; the heavy equipment permit fee ranging from \$30 to \$135 depending on the number of days valid; a highway maintenance fee ranging from \$150 to \$375 depending on a vehicle's weight; \$20.30 for each permit issued to move a manufactured or industrial housing unit; \$7.50 for each permit issued to move a portable building; the annual license fees for a manufacturer, distributor, dealer, representative, converter, vehicle lessor or vehicle lease facilitator ranging from \$175 to \$900; and others with no specific fee amount and set by rule.

The bill would require TxDOT, in coordination with the Comptroller of Public Accounts, to produce recommendations for supplemental revenue sources for Fund 0306 for consideration by the Eighty-third Legislature.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2011.

Methodology

Based on the information and analysis provided by the Comptroller of Public Accounts, it is assumed the provisions of the bill would result in a revenue loss to State Highway Fund 0006 and an equivalent revenue gain to the Texas Rail Relocation and Improvement Fund 0306 of \$102.1 million beginning in fiscal year 2012 and increasing to \$106.2 million in fiscal year 2016. Similar revenue losses to Fund 0006 and gains to Fund 0306 would continue each year thereafter. This analysis assumes the bill would take effect on September 1, 2011 (fiscal year 2012). Revenue losses to Fund 0006 and gains to Fund 0306 would begin during the remainder of fiscal year 2011 if the bill receives the required vote from the House and Senate in order to take immediate effect (prior to September 1, 2011). The potential revenue impact that could occur in fiscal year 2011 is not reflected in the table above.

Based on the analysis of TxDOT and the Comptroller's office, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles

LBB Staff: JOB, KJG, MW, TG