

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 3, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: SJR22 by Nichols (Proposing a constitutional amendment dedicating certain revenue derived from the tax imposed on the sale of motor vehicles to the state highway fund.), **As Introduced**

No significant fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$105,495.

The resolution would propose an amendment to Article VIII of the Texas Constitution, to add new Section 7-d dedicating certain revenue derived from the tax imposed on the sale of motor vehicles to State Highway Fund 0006.

The proposed amendment would require that motor vehicle sales tax revenue derived from the sale of a motor vehicle in Texas be deposited to the credit of Fund 0006, and those deposits could be appropriated only for the purpose of acquiring rights-of-way; constructing and maintaining public roadways; or repaying the principal and interest on general obligation bonds issued as authorized by Section 49-p, Article III, of the Constitution. Motor vehicle sales tax revenue dedicated to the Property Tax Relief Fund 0304 would be excepted. The resolution includes a temporary provision making the proposed amendment effective September 1, 2022.

In each fiscal year beginning on or after September 1, 2013, but before September 1, 2022, and according to the temporary provision, the Legislature would decrease in equal increments the amount of revenue to which the amendment applied that could be appropriated for any purpose other than a purpose described in the new Section 7-d.

Adoption of the proposed amendment would have no effect on revenue collections from the specified tax, but would alter the purposes for which such revenue could be appropriated by the Legislature and, ultimately, where the majority of such revenue would be deposited.

The proposed amendment would be submitted to voters at an election to be held November 8, 2011.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, KK, SD