

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 8, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1515 by McClendon (Relating to the assumption of the powers and duties relating to driver's licenses and personal identification cards by the Texas Department of Motor Vehicles and the authority of a county to provide driver's licenses and other identification certificate services.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would re-appropriate in fiscal year 2014 any unobligated balance of any appropriations made to the Department of Public Safety for the 2012-13 biennium related to programs that would be transferred to the Department of Motor Vehicles.

The bill would require the transfer of the powers and duties of the Department of Public Safety (DPS) relating to driver's licenses and personal identification cards to the Department of Motor Vehicles (DMV) on January 1, 2015. On that date, all money, contracts, leases, rights, property, records, and bonds and other obligations of DPS relating to the programs would be transferred to the DMV; and an employee of the DPS Driver License Division would become an employee of the DMV. The bill would require the director of DPS to adopt a plan for the transition of all related programs on September 1, 2013, or as soon as possible after that date. The bill would transfer and re-appropriate to the DMV any unobligated and unexpended balance of any appropriations made to DPS for the state fiscal biennium ending August 31, 2013 (2012-13 biennium) for the transferred programs in fiscal year 2014. The bill would require the agencies to enter into a joint memorandum of understanding (MOU) to coordinate the agencies' information systems to allow for the sharing of information so that each agency may effectively and efficiently perform its assigned functions and duties. The bill would authorize the governing boards of the DMV and DPS to enter into a joint MOU to effect the transfer of powers and duties, which could include an agreement for the provision of office space, utilities, and other facility service; the need for full-time-equivalent positions of DPS to provide support services in addition to the positions transferred to DMV; and the transfer of information technology. The bill would require the agencies to implement each MOU using existing personnel and resources. The bill would authorize the DMV to enter into an agreement with a county tax assessor-collector to train county tax assessor-collector employees to provide driver's license, election identification, and personal identification issuance services at county offices. The bill would take effect on September 1, 2013.

Based on the information provided by DPS, it is assumed appropriations in the amount of \$80.9 million from State Highway Fund 6 and 1,860 full-time-equivalent (FTE) positions would transfer to the DMV on January 1, 2015 (fiscal year 2015). This analysis assumes there will be no

unobligated and unexpended balances of DPS appropriations for the Drivers License Division and related programs for the 2012-13 biennium remaining on August 31, 2013, to be transferred and re-appropriated to the DMV in the 2014-15 biennium.

This analysis assumes that the DMV and the DPS will enter into and implement one or more MOUs to coordinate information systems and effect the transfer of programs, personnel, obligations, and equipment to the DMV; and each MOU would be implemented using existing resources as required by the bill. It is also assumed an MOU between the agencies would enable DPS FTEs to provide indirect administrative support services for the programmatic FTE positions transferred to DMV.

Based on the information provided by DMV, it is assumed the costs of implementing the provisions of the bill regarding agreements for providing driver's license and other identification issuance services at county offices could be absorbed within existing resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 313 Department of Information Resources, 405 Department of Public Safety, 537 State Health Services, Department of, 608 Department of Motor Vehicles

LBB Staff: UP, AG, MW, TG, LCO, JAW