

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 25, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1881** by McClendon (Relating to funds dedicated to the Texas rail relocation and improvement fund.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1881, As Introduced: an impact of \$0 through the biennium ending August 31, 2015.

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
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$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>Texas Rail Relocation and Improvement</i> <i>Fund 306</i>
2014	(\$5,335,601)	\$5,335,601
2015	(\$5,442,313)	\$5,442,313
2016	(\$5,551,159)	\$5,551,159
2017	(\$5,662,182)	\$5,662,182
2018	(\$5,775,426)	\$5,775,426

Fiscal Analysis

The bill would amend Section 623.0111 of the Transportation Code to specify that from amounts remaining after the required deposits to the General Revenue Fund from permit fees for excess axle and gross weight under that section, \$25 million in each fiscal year is to be deposited to the

Texas Rail Relocation and Improvement Fund (Fund 306) and the remainder is to be deposited to the State Highway Fund (Fund 6).

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, 2013.

Methodology

Currently, the revenue collected from permit fees under Section 623.0111 is divided between the General Revenue Fund and State Highway Fund 6 (Fund 6) based on the number of counties designated on the permit. The bill would direct the portion of the revenue that is currently deposited to Fund 6 to the Texas Rail Relocation and Improvement Fund 306 (Fund 306) beginning on the effective date of the bill.

The Department of Motor Vehicles (DMV) and the Comptroller of Public Accounts' office report that \$5,128,413 from these permit fees was deposited to Fund 6 in fiscal year 2012. Based on the analysis provided by the Comptroller's office, it is assumed the permit fee revenue will grow at a rate of two percent each fiscal year. For the purposes of this analysis, it is assumed the bill would take effect on September 1, 2013 (fiscal year 2014). Based on the information and analysis provided by DMV and the Comptroller's office, it is assumed the bill would result in a revenue loss of \$5,335,601 to Fund 6 and an equal revenue gain to Fund 306 beginning in fiscal year 2014; and the revenue loss to Fund 6 and revenue gain to Fund 306 would continue at annual growth rate of two percent each year thereafter.

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

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