

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**March 13, 2013**

**TO:** Honorable Joseph Pickett, Chair, House Committee On Homeland Security & Public Safety

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2008** by Taylor, Van (Relating to an agreement between the Department of Public Safety and a county clerk or county assessor-collector for the provision of renewal and duplicate driver's license and other identification certificate services.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2008, 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 Savings/(Cost) from <i>State Highway Fund</i> 6
2014	(\$19,058,877)
2015	(\$1,387,157)
2016	(\$1,385,939)
2017	(\$1,385,939)
2018	(\$1,385,939)

Fiscal Year	Change in Number of State Employees from FY 2013
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2014	0.0
2015	2.0
2016	2.0
2017	2.0
2018	2.0

**Fiscal Analysis**

The bill would amend the Transportation Code to authorize the Department of Public Safety (DPS) to enter into agreements with county clerks and county assessor-collectors for the issuance of renewal and duplicate driver's licenses, election identification certificates, and personal identification certificates. The county officials would remit to DPS the fees collected from the issuance of renewal and duplicate driver's licenses and personal identification certificates. The county clerks and assessor-collectors would not be allowed to administer an examination for a driver's license.

The bill would take effect immediately upon a two-thirds vote of all members of each chamber; otherwise, the bill would take effect September 1, 2013.

**Methodology**

DPS would need to create and update program content, modify Information Technology (IT) software applications, and communicate and train agency staff. DPS assumes all 254 counties could participate in this program for the provision of renewing or duplicating driver licenses and other identification certificate services. DPS notes the greatest cost would be in fiscal year 2014.

DPS estimates in fiscal year 2014 it will take staff 80 hours to implement certain requirements of the bill. The average cost per hour for DPS staff and related overhead is \$40 per hour. It is assumed this DPS staff time will cost the agency \$3,200 in fiscal year 2014 and beyond.

It is assumed in fiscal year 2014 that DPS will need to hire IT contractors for 777 hours for business analysis, development analysis, quality assurance, security analysis and project management for a cost of \$82,385 in fiscal year 2014 only. Starting in fiscal year 2015, it is assumed the agency would require two new IT FTEs.

The bill would require \$18,973,292 in fiscal year 2014 to fund the following IT and fixed equipment items at each of 189 counties: \$2,540,000 for installing network services; \$11,430,000 for network hardware; \$3,784,092 for fixed equipment costs, such as desktops and fingerprint scanning devices; and \$1,219,200 to pay for monthly line charges.

The agency assumes the IT and equipment costs after fiscal year 2014 would be \$1,219,200 per year to pay ongoing line charges.

**Technology**

The bill would have a significant technology-related fiscal implication for DPS.

**Local Government Impact**

Counties contracting with DPS under the provisions of the bill would be required to hire additional staff, buy new office supplies, and in some cases lease new office space.

The Tarrant County Clerk estimated costs of \$203,000 for fiscal year 2014, \$245,000 for fiscal year 2015, \$255,000 for fiscal year 2016, \$260,000 for final year 2017, and \$270,000 for fiscal year 2018 for new staff, space, and supplies. These costs would represent a moderate fiscal loss to the Tarrant County Clerk's Office.

The Guadalupe County Clerk estimated one-time costs of \$7,000 for equipment and annual costs of \$30,000 for new staff. These costs represent a moderate fiscal loss to the Guadalupe County Clerk's Office.

The Tom Green County District Clerk, the Potter County District Clerk, the Washington County Clerk's Office, and the Garza County Clerk's Office all reported significant fiscal loss associated with complying with the provisions of the bill.

**Source Agencies:** 304 Comptroller of Public Accounts, 405 Department of Public Safety

**LBB Staff:** UP, ESi, AI, JAW, KKR