

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3677** by Farney (Relating to the issuance of Foundation School Program license plates.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3677, As Introduced: a positive impact of \$19,800 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	\$6,600
2015	\$13,200
2016	\$19,800
2017	\$26,400
2018	\$33,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6
2014	\$6,600	\$2,250
2015	\$13,200	\$4,500
2016	\$19,800	\$6,750
2017	\$26,400	\$9,000
2018	\$33,000	\$11,250

Fiscal Analysis

The bill would amend Subchapter G, Chapter 504, of the Transportation Code to require the Department of Motor Vehicles (DMV), in consultation with the Texas Education Agency, to design and issue new specialty license plates to benefit the Foundation School Program. The bill

specifies that fees from the plates remaining after the deduction of the DMV's administrative expenses would be deposited to the credit of the Foundation School Fund.

The bill would take effect September 1, 2013.

Methodology

Based on the information and analysis provided by the DMV, it is assumed approximately 300 sets of the new specialty license plates would be issued in fiscal year 2014 for an annual fee of \$30 each: \$0.50 of the fee would be retained by the counties; \$7.50 deposited to the State Highway Fund for the recovery of the DMV's administrative costs; and \$22 would be deposited to the credit of the Foundation School Fund. It is assumed that the number of plate sets issued would increase by 300 in each fiscal year thereafter. Based on the information provided by the DMV, it is assumed any costs associated with implementing the provisions of the bill 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, 608 Department of Motor Vehicles

LBB Staff: UP, AG, MW, TG, ED