

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: HB3724 by Flynn (Relating to the certification of inspectors and inspection stations for the compulsory inspection of motor vehicles and the enforcement of that program; authorizing fees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3724, 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 General Revenue Fund	Probable Revenue Gain/(Loss) from General Revenue Fund
	1	1
2014	(\$612,000)	\$612,000
2015	(\$125,256)	\$125,256
2016	(\$125,256)	\$125,256
2017	(\$125,256)	\$125,256
2018	(\$125,256)	\$125,256

Fiscal Analysis

The bill would amend the Transportation Code to require an applicant for certification as a motor vehicle inspector to submit a complete, legible set of fingerprints to the Department of Public

Safety (DPS) with the application.

The bill would remove references to specific fee amounts for applications for inspector certification and inspection station certifications. The bill would authorize DPS to set the initial application and renewal fees for inspectors and inspection stations. The bill would authorize DPS to return an incomplete application or revoke a certification if payment for the application is returned for non-payment, provided sufficient notice has been given to the applicant to repay the application fee and to extend the processing time allowing for fingerprints to be submitted.

The bill would take effect September 1, 2013.

Methodology

The bill would authorize DPS to set the fees it charges for inspector certification and inspection station certification, meaning the revenues from the provisions of the bill could vary. This fiscal note assumes the revenues the bill would generate would only offset and would not exceed the costs associated with implementing the provisions of the bill.

The Department of Public Safety (DPS) estimates an additional 36,000 background checks for re-certifications of current vehicle inspectors and 7,368 checks for new applications each year. DPS collects \$31.50 per background check, of which \$14.50 is sent to the FBI and the remaining \$17 is revenue to DPS. The agency estimates revenues of \$612,000 in fiscal year 2014 (36,000 background checks * \$17) and \$125,256 in subsequent fiscal years (7,368 background checks * \$17). DPS estimates these revenues would cover the costs the agency would incur in conducting the criminal history checks.

Local Government Impact

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

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

LBB Staff: UP, AG, AI, JAW