

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 11, 2015

TO: Honorable Joseph Pickett, Chair, House Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB392 by McClendon (Relating to authorizing an optional county fee for vehicle registration to fund certain transportation projects.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 502 of the Transportation Code to authorize the commissioners court of a county to impose an additional county fee of up to \$10 for registering a vehicle in the county. The bill would require revenue from the fee to fund nontolled transportation projects that relieve congestion, improve safety or address air quality. The bill would require the Department of Motor Vehicles (DMV) to collect the additional fee for vehicles owned by a resident of a county which imposes the fee and registered directly with the department. DMV would be required to send all fees collected for a county to the county treasurer and develop means to administer registration by mail for counties imposing this fee.

Based on the information provided by the DMV and the Comptroller's office, it is assumed the bill would have no effect on the state's cash flow. Based on the analysis provided by the DMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

Local Government Impact

There would be revenue gain to counties that imposed the fee; however the amounts cannot be determined. The potential revenue gain to participating counties would vary depending on the amount of the optional fee charged and the number of vehicles registered in the county.

However, based on the information provided by the Department of Motor Vehicles, if every county would begin charging the maximum optional fee of \$10 on January 1, 2016, the estimated revenue gain for FY 2016 would be \$162,227,651.

Source Agencies: 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles

LBB Staff: UP, AG, SD, EK, TG