

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 22, 2015

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB693 by Gutierrez (Relating to the creation of a temporary visitor's driver's license, provisional temporary visitor's driver's license, and temporary visitor's driver's instruction permit; authorizing fees; creating an offense.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB693, As Introduced: a negative impact of (\$7,578,488) through the biennium ending August 31, 2017.

There is also a two-year positive impact to Other Funds (Texas Mobility Fund) of \$5,460,000 through the biennium ending August 31, 2017.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$4,293,338)
2017	(\$3,285,150)
2018	(\$3,325,150)
2019	(\$3,285,150)
2020	(\$3,285,150)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Texas Mobility Fund 365	Change in Number of State Employees from FY 2015
2016	(\$4,293,338)	\$2,730,000	42.7
2017	(\$3,285,150)	\$2,730,000	42.7
2018	(\$3,325,150)	\$2,730,000	42.7
2019	(\$3,285,150)	\$2,730,000	42.7
2020	(\$3,285,150)	\$3,603,600	42.7

Fiscal Analysis

The bill would amend the Transportation Code to authorize the Department of Public Safety (DPS) to issue driver's licenses or driver's instruction permits to individuals who are unable to obtain a

Social Security Number and provide lawful presence documentation, provided the individuals have resided in Texas for at least one year and have not been finally convicted of a Class A or B misdemeanor or any felony offense.

The bill would require fees of \$75 for an original temporary visitor's driver's license and \$24 for a renewal of a temporary visitor's driver's license. The bill would require a fee of \$15 to issue a provisional temporary visitor's driver's license or a temporary visitor's driver's instruction permit for certain drivers aged 16-18 years old.

The bill would take effect September 1, 2015.

Methodology

It is assumed implementing the provisions of the bill would require additional resources for the Department of Public Safety (DPS). It is also assumed these resources, should they be provided, would be out of the General Revenue Fund.

The number of applications for temporary visitor's driver's licenses is unknown. However, DPS notes that according to a January 2011 report published by the Department of Homeland Security, there are approximately 1.8 million unauthorized residents in Texas. If the 1.8 million were divided evenly across 260 work days, it would average 7,000 resident applications a day (1.8 million/ 260 days). This fiscal note assumes that up to 2% of the 7,000, or up to 140, would apply for the resident driver permit created by the bill, which would be up to 36,400 additional applications a year ($7,000 * 2\% = 140 * 260 \text{ days in a year} = 36,400$).

It is assumed that implementing the provisions of the bill would require 33.3 Customer Service Representatives to handle the additional workload. DPS would also require two Program Supervisor III positions and one Manager I position to oversee the 33.3 additional employees for this new program. DPS would need two Fingerprint Technician I employees to process the additional fingerprints each year. DPS would also require 4.4 Program Specialist V positions to provide executive administration, information technology, financial management, human capital management, and facilities management.

It is assumed the agency would require \$100,000 in fiscal year 2016 to create new license cards that are distinguishable from typical driver license cards.

Programming costs are estimated to be \$122,262 in fiscal year 2016 to fund an estimated 1,069 contractor hours for business analysis, development, quality assurance, network development, database administration, and project management.

It is assumed the agency would require \$1,050,000 in fiscal year 2016 to train and equip the new FTEs; modify the agency's Automated Fingerprint Information System to accommodate the 10 fingerprint collection requirement for these applicants only; modify the Driver License System to accommodate the permits and fees created by the bill; and make other conforming changes to the Driver License Division.

The Comptroller has indicated that the revenue from the application fees would be deposited to the Texas Mobility Fund. The actual revenue gain would depend on the number of individuals opting to apply for a temporary visitor's driver's license. This fiscal note assumes the number of original applications assumed above in each fiscal year (36,400) multiplied by the \$75 application fee required by the bill. Thus: $36,400 \text{ new applications} * \$75 \text{ application fee} = \$2,730,000$.

The term of the original license is 4 years. Therefore revenues resulting from renewals of the fiscal year 2016 original applicants will begin in fiscal year 2020. It is assumed all original license holders will opt to renew. The renewal fee is \$24. Thus revenues in fiscal year 2020 are estimated as: $(36,400 \text{ new applications} * \$75) + (36,400 \text{ renewal applications} * \$24) = (\$2,730,000) + (\$873,600) = \$3,603,600$.

Because the number of individuals applying for either a provisional temporary visitor's driver's license or a temporary visitor's driver's instruction permit is unknown, the revenues resulting from these applications can not be determined.

Technology

Programming costs are estimated to be \$122,262 in fiscal year 2016 to fund an estimated 1,069 contractor hours for business analysis, development, quality assurance, network development, database administration, and project management.

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, 601 Department of Transportation

LBB Staff: UP, AG, AI, JAW