

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 6, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2905 by Davis, Sarah (Relating to the issuance of Texas Medical Center specialty license plates.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2905, As Introduced: a positive impact of \$3,000 through the biennium ending August 31, 2017.

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 |
|--------------------|---|
| 2016 | \$1,500 |
| 2017 | \$1,500 |
| 2018 | \$1,500 |
| 2019 | \$1,500 |
| 2020 | \$1,500 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain from General Revenue Fund 1 | Probable Revenue Gain from License Plate Trust Fund 802 | Probable Revenue Gain from Counties |
|--------------------|--|--|--|
| 2016 | \$1,500 | \$4,400 | \$100 |
| 2017 | \$1,500 | \$4,400 | \$100 |
| 2018 | \$1,500 | \$4,400 | \$100 |
| 2019 | \$1,500 | \$4,400 | \$100 |
| 2020 | \$1,500 | \$4,400 | \$100 |

Fiscal Analysis

The bill would amend the Transportation Code to require the Department of Motor Vehicles (DMV) to issue Texas Medical Center specialty license plates. The bill would specify that the fee for the new specialty license plate, after deduction of DMV administrative costs, is to be deposited

to the credit of an account in the license plate trust fund created by the Comptroller. The bill would authorize money deposited to the account to be used only by the Office of the Attorney General (OAG) to provide grants to benefit the Texas Medical Center and member institutions.

The bill would take effect on September 1, 2015.

Methodology

Based on the information and analysis provided by the DMV, this analysis assumes 200 of the new specialty license plates would be issued each year at a fee of \$30 each of which \$7.50 would be deposited to the General Revenue Fund for DMV administrative expenses; \$0.50 would be retained by the counties; and \$22 would be deposited to an account in the License Plate Trust Fund in the in the treasury and may be appropriated to the OAG to provide grants.

Based on the analysis of DMV and OAG, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 302 Office of the Attorney General,
608 Department of Motor Vehicles

LBB Staff: UP, AG, NV, TG, TBo