

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 14, 2015

TO: Honorable John Otto, Chair, House Committee on Appropriations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3328 by Otto (Relating to certain state fiscal matters.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3328, As Introduced: a negative impact of (\$263,722,000) through the biennium ending August 31, 2017; in the same period, there will be an increase to the Motor Vehicles Fund of \$250,722,000 and to a new General Revenue-Dedicated account of \$13,192,000 associated with the General Revenue reduction.

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	(\$130,410,000)
2017	(\$133,312,000)
2018	(\$135,848,000)
2019	(\$138,435,000)
2020	(\$141,074,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>New General Revenue Dedicated - Environmental Radiation and Perpetual Care</i>	Probable Revenue Gain/(Loss) from <i>New Texas Department of Motor Vehicles Fund</i>	Probable Savings/(Cost) from <i>State Highway Fund</i> 6
2016	(\$130,410,000)	\$6,596,000	\$123,910,000	(\$5,175,000)
2017	(\$133,312,000)	\$6,596,000	\$126,812,000	(\$5,175,000)
2018	(\$135,848,000)	\$6,596,000	\$129,348,000	(\$5,175,000)
2019	(\$138,435,000)	\$6,596,000	\$131,935,000	(\$5,175,000)
2020	(\$141,074,000)	\$6,596,000	\$134,574,000	(\$5,175,000)

Fiscal Year	Probable Revenue Gain/(Loss) from <i>New TexasSure Fund</i>
2016	\$5,175,000
2017	\$5,175,000
2018	\$5,175,000
2019	\$5,175,000
2020	\$5,175,000

Fiscal Analysis

The bill would re-create a Texas Department of Motor Vehicles (DMV) Fund for the deposit of certain fees collected by DMV consistent with the provisions of enacted House Bill 2202, Eighty-third Legislature, Regular Session. The new fund would be a special fund in the state treasury outside the General Revenue Fund. All revenue that had been dedicated to the DMV Fund by HB 2202 would be rededicated for that purpose.

The bill would re-create the Environmental radiation and Perpetual Care Account as a separate account within the General Revenue Fund for the deposit of revenue collected on waste disposed from out-of-compact entities pursuant to Senate Bill 347, Eighty-third Legislature, Regular Session. All revenue that had been dedicated to that Account would be rededicated for that purpose.

The bill would amend Transportation Code, Section 502.357, to direct the Comptroller of Public Accounts to deposit a portion of the financial responsibility program fees collected under this section to the credit of a special fund in the state treasury outside the General Revenue Fund known as the TexasSure Fund in the total amount necessary to cover the total amount appropriated to the Texas Department of Insurance (TDI) from that fund.

Methodology

The analysis of the bill's provisions related to the DMV Fund was based on information provided by DMV relating to the estimated amount that would be rededicated to the DMV Fund from the General Revenue Fund. The General Revenue Fund to DMV Fund transfer amounts in future years were projected forward at a 2 percent growth rate. Consistent with the provisions of House Bill 2202, Eighty-third Legislature, Regular Session, the estimated transfer in fiscal year 2016 from the General Revenue Fund to the DMV Fund does not include unspent General Revenue dedicated appropriations to DMV from the 2014-15 biennium, since that amount is unknown at this time.

The analysis of the bill's provisions relating to the 20 percent surcharge on non-party compact waste revenue being rededicated to the Environmental Radiation and perpetual Care Account was based on the 2016-17 Biennial Revenue Estimate. Based on information provided by the Texas Commission on Environmental Quality, provisions in the bill would affect certain license fees and would, in turn, impact revenue to the Environmental Radiation and Perpetual Care account.

The analysis of the bill's provisions relating to the creation of the TexasSure Fund was based on fiscal year 2015 appropriations to TDI for ongoing maintenance of the TexasSure Motor Vehicle Responsibility Verification Program. This analysis assumes that no funds from the TexasSure Fund will be used for employee salaries or benefits.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 454 Department of Insurance, 535 Low-level Radioactive Waste Disposal Compact Commission, 601 Department of Transportation, 608 Department of Motor Vehicles, 701 Central Education Agency

LBB Staff: UP, JJ, BRi, SD