

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 28, 2015

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB93 by Ellis (Relating to the repeal of the driver responsibility program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB93, As Introduced: a negative impact of (\$57,189,310) 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	(\$17,975,724)
2017	(\$39,213,586)
2018	(\$60,951,448)
2019	(\$60,951,448)
2020	(\$60,951,448)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Trauma Facility And Ems 5111	Change in Number of State Employees from FY 2015
2016	\$6,524,276	(\$24,500,000)	(\$24,500,000)	21.5
2017	\$9,786,414	(\$49,000,000)	(\$49,000,000)	32.3
2018	\$13,048,552	(\$74,000,000)	(\$73,500,000)	43.0
2019	\$13,048,552	(\$74,000,000)	(\$73,500,000)	43.0
2020	\$13,048,552	(\$74,000,000)	(\$73,500,000)	43.0

Fiscal Analysis

The bill would repeal Chapter 708 of the Transportation Code, removing the authority for the Department of Public Safety (DPS) to impose or collect any surcharge fees for driver license points, driving while intoxicated, driving while license invalid, driving without financial

responsibility, and driving with no license.

The bill would amend Chapter 780 of the Health and Safety Code to remove the requirement that DPS remit surcharge collections to the Comptroller of Public Accounts, remove the statutory allocations from money received from DRP surcharges, and require the Comptroller of Public Accounts to deposit any gifts, grants, donations, and legislative appropriations for that purpose to the Designated Trauma Facility and Emergency Medical Services Account No. 5111. The bill would amend Chapter 601 of the Transportation Code to remove the requirement to give notice of Driver Responsibility Program (DRP) surcharges to offenders.

The bill continues current law for surcharges imposed prior to the effective date. The bill would take effect September 1, 2015, unless it receives the requisite two-thirds majority votes in both houses of the Legislature to take effect immediately.

Methodology

DRP surcharges are imposed on persons for a period of 36 months. The bill's repeal of DRP would not forgive surcharges assessed prior to the effective date of the bill, or any outstanding surcharges or penalties from earlier years. It is assumed revenue collected from surcharges would continue to be allocated to the General Revenue Fund and Designated Trauma Facility and Emergency Medical Services Account No. 5111 as required by the applicable law in effect prior to the bill's effective date.

Estimated revenue impacts were derived from the 2016-2017 Biennial Revenue Estimate, adjusted for prior surcharges assessed and expected to be remitted to the state through fiscal year 2017 and projected through fiscal year 2019. This analysis assumes surcharges are collected during the same year of a conviction and for the two years following conviction, and that a revenue loss would occur from a reduction in surcharges assessed during and therefore collected in fiscal year 2016. Revenue would continue to be collected from surcharges based on convictions during fiscal years 2014 and 2015. If the bill were to take effect immediately, it is assumed the loss of revenue in fiscal years 2016-2017 would be higher because fewer offenses occurring in fiscal year 2015 would be subject to a DRP surcharge.

It is assumed DPS will maintain a reduced level of full-time equivalents to administer the program during the next biennium so surcharges assessed prior to the effective date of the bill will continue to be collected. Beginning in fiscal year 2016 a savings will be realized from a reduction in costs relating to vendor compensation for the collection of surcharges and DPS full-time equivalents responsible for customer service related to DRP. The vendor was appropriated \$11,433,587 per year in fiscal years 2014 and 2015. It is assumed the vendor compensation will be reduced as volume of surcharge collections decreases.

Technology

The Department of Public Safety reports that systems analysis and programming changes would be needed as a result of this bill; the cost of these changes could be absorbed using existing resources.

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, 537 State Health Services, Department of, 601 Department of Transportation, 701 Central Education Agency

LBB Staff: UP, AG, JJ, JQ, JAW