

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 21, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB754 by Watson (Relating to funding for motorcycle training and safety programs, including increasing the motorcycle and moped registration fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB754, As Introduced: an impact of \$0 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	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from Motorcycle Education Acct 501
2016	\$1,365,000
2017	\$1,399,000
2018	\$1,434,000
2019	\$1,469,000
2020	\$1,506,000

Fiscal Analysis

The bill would amend the Transportation Code relating to funding for motorcycle training and safety programs.

The bill would amend Section 502.251, Transportation Code, to increase the registration fee for a

motorcycle or moped from \$30 to \$33.

The bill would amend Section 662.011, Transportation Code, to direct the Texas Department of Motor Vehicles (DMV) to remit to the Comptroller \$3 from each fee collected under Section 502.251 for deposit to the credit of a subaccount in GR Account 0501-Motorcycle Education. The bill would direct the funds deposited to the subaccount be used for conducting the motorcycle safety and share the road campaign described by Section 201.621.

The bill would take effect September 1, 2015.

Methodology

DMV provided an estimate of the number of motorcycle registrations for fiscal 2016, which served as the initial basis of the fiscal impact. The registrations estimate was multiplied by \$3 to obtain the amount deposited to GR Account 0501 beginning in fiscal 2016, and projected forward based on growth rates from the *2016-17 Biennial Revenue Estimate*.

The 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.

Technology

Based on the analysis of the DMV, it is assumed any costs associated with implementing the provisions of the bill on or after January 1, 2016, (delayed implementation) could be absorbed within the agency's existing resources. However, the DMV indicates that implementation of the bill by September 1, 2015, would require programming changes to the agency's legacy core Registration and Titling System (RTS) during the months of June and July of 2015, which would delay the development and implementation of the agency's ongoing RTS Refactoring Project. The DMV estimates the programming changes necessary to implement the provisions of the bill on the specified effective date could result in a four month delay in the RTS Refactoring Project, which could result in significant additional project costs.

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, 601 Department of Transportation, 608 Department of Motor Vehicles

LBB Staff: UP, AG, SD