

SENATE AMENDMENTS

2nd Printing

By: Bohac, Capriglione, Villalba, Fallon

H.B. No. 991

A BILL TO BE ENTITLED

AN ACT

relating to the display of notice of federal and state tax rates for motor fuel sold at retail.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 17, Agriculture Code, is amended by adding Section 17.0515 to read as follows:

Sec. 17.0515. NOTICE OF MOTOR FUEL TAX RATES. The department shall display on each motor fuel pump from which motor fuel is sold at retail a notice of the current rates of the federal and state motor fuel taxes. The notice must:

(1) display the current rate of each tax, in cents per gallon, for each type of motor fuel;

(2) be displayed on each face of the motor fuel pump on which the price of the motor fuel sold from the pump is displayed; and

(3) be displayed in a clear, conspicuous, and prominent manner.

SECTION 2. This Act takes effect January 1, 2016.

ADOPTED

MAY 28 2015

Leta Spaw
Secretary of the Senate

By: *Don Huff*

H.B. No. 991

Substitute the following for H.B. No. 991:

By: *Don Huff*

C.S. H.B. No. 991

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the display of notice of federal and state tax rates for
3 motor fuel sold at retail.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter B, Chapter 17, Agriculture Code, is
6 amended by adding Section 17.0515 to read as follows:

7 Sec. 17.0515. NOTICE OF MOTOR FUEL TAX RATES. (a) The
8 department shall display or require to be displayed on each motor
9 fuel pump from which motor fuel is sold at retail a notice of the
10 current rates of the federal and state motor fuel taxes. The notice
11 must:

12 (1) display the current rate of each tax, in cents per
13 gallon, for each type of motor fuel;

14 (2) be displayed on each face of the motor fuel pump on
15 which the price of the motor fuel sold from the pump is displayed;
16 and

17 (3) be displayed in a clear, conspicuous, and
18 prominent manner.

19 (b) The department may include the notice required under
20 Subsection (a) with any other notice displayed or required by
21 department rule to be displayed, including a "Fuel Feedback?"
22 sticker.

23 SECTION 2. The Department of Agriculture is not required to
24 display, or may not require to be displayed, a notice on a motor

1 fuel pump under Section 17.0515, Agriculture Code, as added by this
2 Act, until the later of the date:

3 (1) the department is at the pump's location for an
4 inspection or other official business; or

5 (2) the department's inventory of "Fuel Feedback?"
6 stickers on hand on the effective date of this Act is used and the
7 department acquires new stickers.

8 SECTION 3. This Act takes effect January 1, 2016.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 28, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB991 by Bohac (Relating to the display of notice of federal and state tax rates for motor fuel sold at retail.), **As Passed 2nd House**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend the Agriculture Code to require the Texas Department of Agriculture (TDA) to display on each face of a motor fuel pump a notice of the current rates of the federal and state motor fuel taxes.

The bill would provide that TDA would not be required to display the motor fuel tax information until the later of 1) when TDA is at the pump's location for an inspection or other official business, or 2) until TDA's inventory of Consumer Information Stickers (i.e., "Fuel Feedback?" stickers) is depleted. Retail gas stations will receive the new stickers from TDA either upon request or provided by TDA at the time of inspection. TDA estimates there would be a minimal cost associated with implementing the provisions of the bill.

Local Government Impact

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

Source Agencies: 551 Department of Agriculture

LBB Staff: UP, SD, TB, CL, MW, AG

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB991 by Bohac (Relating to the display of notice of federal and state tax rates for motor fuel sold at retail.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Agriculture Code to require the Texas Department of Agriculture (TDA) to display on each face of a motor fuel pump a notice of the current rates of the federal and state motor fuel taxes.

The bill would provide that TDA would not be required to display the motor fuel tax information until the later of 1) when TDA is at the pump's location for an inspection or other official business, or 2) until TDA's inventory of Consumer Information Stickers (i.e., "Fuel Feedback?" stickers) is depleted. Retail gas stations will receive the new stickers from TDA either upon request or provided by TDA at the time of inspection. TDA estimates there would be a minimal cost associated with implementing the provisions of the bill.

Local Government Impact

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

Source Agencies: 551 Department of Agriculture

LBB Staff: UP, TB, CL, MW, AG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 13, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB991 by Bohac (Relating to the display of notice of federal and state tax rates for motor fuel sold at retail.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB991, As Engrossed: a negative impact of (\$160,000) 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	(\$160,000)
2017	\$0
2018	\$0
2019	\$0
2020	(\$160,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund
	1
2016	(\$160,000)
2017	\$0
2018	\$0
2019	\$0
2020	(\$160,000)

Fiscal Analysis

The bill would amend the Agriculture Code to require the Texas Department of Agriculture (TDA) to display on each face of a motor fuel pump a notice of the current rates of the federal and state motor fuel taxes.

The bill would take effect January 1, 2016.

Methodology

TDA indicates it would be required to design and contract printing for 200,000 fuel tax stickers to meet the requirement to display stickers on each face of a motor fuel pump. TDA estimates that 160,000 stickers will be mailed to licensed locations in the first year and the remaining 40,000 stickers would be used in years 2, 3 and 4 for new licenses issued. This cost is estimated to be \$126,000 for all stickers in years 1, 2, 3 and 4. This estimate is based upon costs associated with printing Consumer Information Stickers that are currently required to be displayed on each face of a motor fuel pump.

It is further anticipated that the stickers will need to be replaced in five (5) years as a result of environmental degradation. Postage and shipping supplies required to ship the stickers to each fuel station is estimated to cost \$30,000. In 5 years, TDA will again incur these shipping costs to replace the stickers due to environmental degradation. TDA anticipates the need to hire 2 temporary employees at the rate of \$11.50 per hour to sort and ship stickers to all fuel stations in the state. The total cost for temporary employees is anticipated to be \$4,000 in years 1 and 5. Total 5 year fiscal impact is estimated to be \$320,000.

Local Government Impact

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

Source Agencies: 551 Department of Agriculture

LBB Staff: UP, CL, MW, TB, AG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 5, 2015

TO: Honorable René Oliveira, Chair, House Committee on Business & Industry

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB991 by Bohac (Relating to the display of notice of federal and state tax rates for motor fuel sold at retail.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB991, Committee Report 1st House, Substituted: a negative impact of (\$160,000) 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	(\$160,000)
2017	\$0
2018	\$0
2019	\$0
2020	(\$160,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2016	(\$160,000)
2017	\$0
2018	\$0
2019	\$0
2020	(\$160,000)

Fiscal Analysis

The bill would amend the Agriculture Code to require the Texas Department of Agriculture (TDA) to display on each face of a motor fuel pump a notice of the current rates of the federal and state motor fuel taxes.

The bill would take effect January 1, 2016.

Methodology

TDA indicates it would be required to design and contract printing for 200,000 fuel tax stickers to meet the requirement to display stickers on each face of a motor fuel pump. TDA estimates that 160,000 stickers will be mailed to licensed locations in the first year and the remaining 40,000 stickers would be used in years 2, 3 and 4 for new licenses issued. This cost is estimated to be \$126,000 for all stickers in years 1, 2, 3 and 4. This estimate is based upon costs associated with printing Consumer Information Stickers that are currently required to be displayed on each face of a motor fuel pump.

It is further anticipated that the stickers will need to be replaced in five (5) years as a result of environmental degradation. Postage and shipping supplies required to ship the stickers to each fuel station is estimated to cost \$30,000. In 5 years, TDA will again incur these shipping costs to replace the stickers due to environmental degradation. TDA anticipates the need to hire 2 temporary employees at the rate of \$11.50 per hour to sort and ship stickers to all fuel stations in the state. The total cost for temporary employees is anticipated to be \$4,000 in years 1 and 5. Total 5 year fiscal impact is estimated to be \$320,000.

Local Government Impact

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

Source Agencies: 551 Department of Agriculture

LBB Staff: UP, CL, MW, TB, AG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 26, 2015

TO: Honorable René Oliveira, Chair, House Committee on Business & Industry

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB991 by Bohac (Relating to requiring notice of federal and state tax rates for motor fuel sold at retail; providing a civil penalty.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend the Business and Commerce Code to require that a person selling motor fuel at retail display on each motor fuel pump at a retail location a notice of the current rates of the federal and state motor fuel taxes. The tax rate would be required to be displayed in cents per gallon for each type of motor fuel, and be displayed in a clear, conspicuous, and prominent manner on each face of the motor fuel pump on which the price of the motor fuel sold from the pump is displayed.

A person who violated these requirements would be liable to the state for a civil penalty in an amount not to exceed \$500 for each calendar month in which a violation occurs. The Office of the Attorney General (OAG) or appropriate prosecuting attorney may bring an action to recover this penalty. The OAG anticipates any additional work resulting from the passage of the bill could be reasonably absorbed within current resources. The number of violations, and subsequent penalty revenue, which might occur cannot be determined; however it is not anticipated to be significant.

The bill would take effect January 1, 2016.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 551 Department of Agriculture

LBB Staff: UP, CL, SD, AG, KVe