

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 6, 2017

TO: Honorable Larry Phillips, Chair, House Committee on Insurance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB178 by Lucio III (Relating to the impoundment of a motor vehicle operated without financial responsibility and involved in an accident; authorizing a fee.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to authorize a peace officer to impound the motor vehicle of a person who is involved in an accident that does not provide proof of liability insurance. The law enforcement agency would be required to issue a written explanation of how the owner may recover the vehicle and send a notice of impoundment to the last known registered owner of the vehicle and any lienholder. The law enforcement agency that impounds a motor vehicle could release a motor vehicle to a person that provides proper proof of financial responsibility with payment for the cost of impoundment within 60 days of the impoundment. If after 60 days, the owner does not claim the vehicle, the lienholder could claim the vehicle with the certificate of title and an affidavit. If there is no lienholder or the lienholder does not claim the vehicle, the law enforcement agency that impounded the vehicle may auction the vehicle.

The LBB estimates there would be no significant cost to state agencies affected by the bill.

Local Government Impact

There could be costs to local law enforcement agencies to provide notices to the registered vehicle owner and lienholder, and for storage fees for an impounded motor vehicle. In addition, some of those costs would be offset by reimbursement from an owner or lienholder for payment of storage fees, or from auctioning the vehicle if not claimed after 60 days. The amounts would vary depending on the number of impounded vehicles and the amount of costs recovered. No significant fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety

LBB Staff: UP, AG, GG, BM