

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 8, 2017**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB263** by Lozano (Relating to the issuance of "Back the Blue" specialty license plates.),  
**As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB263, As Engrossed: an impact of \$0 through the biennium ending August 31, 2019.

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
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue Gain from <i>Lic Plate Trust Fund No.</i> <i>0802, est</i> <b>802</b>	Probable Revenue Gain from <i>Tx Dept of Motor Vehicles</i> <i>Fnd</i> <b>10</b>	Probable Revenue Gain from <i>Counties</i>
2018	\$4,400	\$1,500	\$100
2019	\$4,400	\$1,500	\$100
2020	\$4,400	\$1,500	\$100
2021	\$4,400	\$1,500	\$100
2022	\$4,400	\$1,500	\$100

**Fiscal Analysis**

The bill would amend Chapter 504 of the Transportation Code to require the Texas Department of Motor Vehicles (TxDMV) to issue specialty license plates that include a thin blue line and the

words "Back the Blue." The bill would specify that the fee for the new specialty license plate, after deduction of DMV administrative costs, is to be deposited to the credit of an account in the license plate trust fund created by the Comptroller. The bill would authorize money deposited to the account to be used only by the Employees Retirement System of Texas to provide financial assistance to survivors of peace officers under Chapter 615 of the Government Code.

The bill would take effect on September 1, 2017.

### **Methodology**

Based on the information and analysis provided by the Department of Motor Vehicles (DMV), this analysis assumes 200 of the new specialty license plates would be issued each year at a fee of \$30 each of which \$7.50 would be deposited to the TxDMV Fund 10 for DMV administrative expenses; \$0.50 would be retained by the counties; and \$22 would be deposited to an account in the License Plate Trust Fund in the in the treasury and may be appropriated to the Employee Retirement System of Texas (ERS) to provide financial assistance to survivors of peace officers.

Based on LBB's analysis of information provided by DMV and ERS, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

This 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.

### **Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts, 327 Employees Retirement System, 608 Department of Motor Vehicles

**LBB Staff:** UP, AG, EH, TG, LBO