

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 6, 2017

TO: Honorable Phil King, Chair, House Committee on Homeland Security & Public Safety

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB459 by Dale (Relating to the suspension of a driver's license for the failure to pay a surcharge.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time. It is unknown to what degree justice of the peace courts would order suspension of a driver's license, and in what way this would impact payment of surcharges under the Driver Responsibility Program.

The bill would amend provisions in the Transportation Code related to the Driver Responsibility Program (DRP) to make suspension of a driver's license for failure to pay or enter into an installment agreement to pay surcharges at the discretion of a local Justice of the Peace court. The bill would require the Texas Department of Public Safety (DPS) to notify the appropriate Justice of the Peace of an affected individual's failure to pay or enter into an installment agreement to pay surcharges within 105 days of the date the surcharge was assessed. Current statute provides for the automatic suspension of a driver's license for failure to pay or enter into an installment agreement with DPS to pay DRP surcharges on or before the 60th day after the second notification of failure to pay or to enter into an installment agreement.

The fiscal effect of removing the automatic suspension of a driver's license for nonpayment or failure to enter into an installment agreement for payment and making it discretionary cannot be determined. The bill could potentially result in fewer suspensions and lower collection rates. However, because the number of license suspensions ordered by justice of the peace courts cannot be determined, the impact of the bill on compliance and collections is unknown. To the extent DRP surcharge revenue would be reduced, there would be a loss to the General Revenue Fund and the Designated Trauma Facility and EMS Account No. 5111. Finally, DPS has indicated that implementing provisions of the bill may cause them to incur additional costs for processing suspensions. For purposes of this analysis, it is assumed that the cost of implementing the provisions of this bill can be absorbed within existing resources. The bill would take effect on September 1, 2017.

Local Government Impact

According to the Justice of the Peace and Constables Association, the bill would create the need for additional staff hours and possibly additional court personnel to manage new caseloads, resulting in a significant fiscal impact to justice courts. It should be noted that the bill does not require, but only authorizes justice courts to hold hearings on driver license suspensions for nonpayment of DRP surcharges. The Office of Court Administration reports that any new justice court caseload resulting from this bill would vary by county, but be concentrated in the state's urban counties where most license suspensions occur.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304
Comptroller of Public Accounts, 405 Department of Public Safety

LBB Staff: UP, FR, JJ, ZS, JGA