

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

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

**April 30, 2017**

**TO:** Honorable John Zerwas, Chair, House Committee on Appropriations

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

**IN RE: HB652** by Clardy (Relating to the deposit and appropriation of revenue received or collected by the Automobile Burglary and Theft Prevention Authority.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB652, As Introduced: a negative impact of (\$72,501,548) 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	(\$35,885,274)
2019	(\$36,616,274)
2020	(\$37,359,274)
2021	(\$38,113,274)
2022	(\$38,878,274)

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

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> <b>1</b>	Probable Savings/(Cost) from <i>General Revenue Fund</i> <b>1</b>	Probable Revenue Gain/(Loss) from <i>TxDMV Fund - New ABTPA Subaccount</i> <b>10</b>	Probable Savings/(Cost) from <i>TxDMV Fund - New ABTPA Subaccount</i> <b>10</b>
2018	(\$48,776,000)	\$12,890,726	\$48,776,000	(\$12,890,726)
2019	(\$49,507,000)	\$12,890,726	\$49,507,000	(\$12,890,726)
2020	(\$50,250,000)	\$12,890,726	\$50,250,000	(\$12,890,726)
2021	(\$51,004,000)	\$12,890,726	\$51,004,000	(\$12,890,726)
2022	(\$51,769,000)	\$12,890,726	\$51,769,000	(\$12,890,726)

**Fiscal Analysis**

This bill would amend Article 4413(37), Revised Statutes, to add new Section 13 requiring gifts, grants, and other revenue collected by the Automobile Burglary and Theft Prevention Authority

(ABTPA) to be deposited to the credit of a subaccount in the Texas Department of Motor Vehicles (TxDMV) fund. The bill would stipulate that money in the new subaccount may be used by TxDMV only for the purposes of the ABTPA under this Article. The bill would amend Section 10(e), Article 4413(37), Revised Statutes, to require the \$2 fee per motor vehicle year of insurance that insurers pay to the ABTPA to be deposited to the new subaccount in the TxDMV Fund.

The bill would take effect September 1, 2017.

### **Methodology**

Under current law, the \$2 ABTPA fee is deposited to the General Revenue Fund, of which half may only be appropriated for the purposes of the ABTPA. The bill would require all of the fee revenue collected to be deposited to a subaccount in the TxDMV Fund 10, which is not General Revenue but is an Other Fund. The table above reflects the Comptroller's office estimates for the revenue losses to the General Revenue Fund and corresponding gains to the TxDMV Fund for each fiscal year beginning in fiscal year 2018.

The Legislature currently appropriates General Revenue to TxDMV for the purposes of the ABTPA. The Senate Committee Substitute for Senate Bill 1, Eighty-fifth Legislature, General Appropriations Bill for the 2018-19 biennium, provides \$12,890,726 from General Revenue each fiscal year in Strategy B.2.1, Automobile Theft Prevention, in the bill pattern for the Department of Motor Vehicles. This analysis assumes the Legislature would appropriate funds from the TxDMV Fund - ABTPA Subaccount instead of General Revenue, resulting in savings to the General Revenue Fund and costs to the TxDMV Fund of \$12.9 million each fiscal year beginning in fiscal year 2018.

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 fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles

**LBB Staff:** UP, TG, KK, EH, LCO