

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1959** by Thompson, Senfronia (Relating to alternative registration technologies for commercial motor vehicles.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to require the Texas Department of Motor Vehicles (TxDMV) to conduct a study that identifies and assesses alternative technologies for registering commercial motor vehicles to replace license plates, permits, and other existing documentation and registration methods currently in use in this state; and that evaluates the safety and suitability for use on roadways of the technologies identified. The bill would require TxDMV to submit a report on the results of the study not later than December 1, 2021. This requirement would expire January 1, 2023.

The bill would authorize TxDMV, in consultation with a state agency or research division of an institution of higher education, to establish a pilot program that identifies, implements, and assesses alternative technologies for registering commercial motor vehicles to replace license plates, permits, and other existing documentation and registration methods currently in use in Texas if TxDMV determines that the program can be implemented at no cost to the State and the results of the study indicate that the program is feasible. The bill would require the program to be funded through contributions by participants who voluntarily opt into the program. The bill would require TxDMV to submit a report on the results of the program not later than December 1, 2022. Provisions of the bill authorizing the pilot program would expire on January 1, 2023.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2017.

Based on LBB's analysis of TxDMV, it is assumed any costs associated with conducting the study required by the bill could be absorbed within the agency's existing resources.

For the purposes of this analysis, it is assumed TxDMV would establish the pilot program authorized by the bill only if the study indicates that it would be feasible and the agency determines that the pilot program could be implemented at no cost to the State. TxDMV estimates the implementation of a pilot program would cost of \$2,244,000 for programming, user acceptance testing, and system integration testing for multiple statewide systems currently used to register commercial vehicles, including the Registration and Titling System, International Registration Plan system, the Motor Carrier Credentialing System, and the Texas Permitting and Routing Optimization System. It is assumed any costs to implement the program would be funded through voluntary contributions from participants who opt into the program as required by the

bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 608 Department of Motor Vehicles

LBB Staff: UP, SD, AG, EH, TG