

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION
Revision 1

May 12, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1959** by Thompson, Senfronia (Relating to a study by the Texas Department of Motor Vehicles of alternative registration technologies for commercial motor vehicles.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1959, 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 (Cost) from Tx Dept of Motor Vehicles Fnd 10	Probable Revenue Gain from Tx Dept of Motor Vehicles Fnd 10
2018	(\$2,244,000)	\$2,244,000
2019	\$0	\$0
2020	\$0	\$0
2021	\$0	\$0
2022	\$0	\$0

Fiscal Analysis

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 21, 2018.

The bill would require TxDMV, in consultation with a state agency or research division of an institution of higher education, to establish a pilot program at no cost to the state that identifies, implements, and assesses alternative technologies to replace license plates, permits, and other existing documentation and registration methods currently in use for registration of commercial motor vehicles in Texas. The bill would require the pilot 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 pilot program not later than December 21, 2018. Provisions of the bill requiring the pilot program would expire on January 1, 2019.

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.

Methodology

The bill would require TxDMV to establish a pilot program that implements alternative technologies to replace license plates, permits, and other existing documentation and registration methods currently in use for registration of commercial motor vehicles in Texas. TxDMV estimates a total cost of \$2,244,000 in fiscal year 2018 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 these costs to the Texas Department of Motor Vehicles Fund would be reimbursed by voluntary contributions from participants who opt into the program as required by the bill.

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.

Technology

TxDmv anticipates programming and testing costs of \$2.2 million in to implement the pilot program required by the bill in fiscal year 2018.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 608 Department of Motor Vehicles

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