

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 26, 2017

TO: Honorable Roland Gutierrez, Chair, House Committee on Defense & Veterans' Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3589 by Wilson (Relating to specialty license plates to honor certain Purple Heart recipients.), **As Introduced**

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 issue specialty license plates for recipients of a Purple Heart awarded by the Department of Public Safety or another law enforcement agency in Texas. The bill would authorize a person entitled to such specialty license plates to register one vehicle without payment of any registration fees other than the fee for the specialty plate. The bill would amend Transportation Code §372.053 to make a vehicle registered with the new law enforcement Purple Heart specialty license plates eligible for a toll project entities' toll waiver program for certain veterans. The bill would take effect on September 1, 2017.

Based on LBB's analysis of information provided by TxDMV, it is assumed implementation of the bill would not result in a significant impact to vehicle registration fee revenue and any additional costs or duties could be absorbed within the agency's existing resources.

The Texas Department of Transportation (TxDOT) reports that bond agreements for certain toll projects owned and operated by TxDOT require waived toll fees to be repaid to the toll system. TxDOT currently receives appropriations to defray the costs of providing a toll waiver program for certain eligible veterans. Based on LBB's analysis of information provided by TxDOT, it is assumed any costs associated with providing a toll waiver program for vehicles displaying law enforcement Purple Heart specialty license plates could be absorbed within the department's current resources.

Current provisions in Transportation Code §372.053 authorize a toll project entity to provide a toll waiver program for an electronic toll collection customer whose account relates to a vehicle registered with a Disabled Veteran, Legion of Valor, or Purple Heart specialty license plate; and authorizes the Legislature to appropriate funds from the General Revenue Fund to a toll project entity to defray the cost of providing a toll discount program for veterans.

Local Government Impact

The bill would authorize a local toll project entity to establish a waiver program that includes free use of the entity's toll roads by an electronic toll collection customer whose account relates to a vehicle registered with a law enforcement Purple Heart recipient specialty license plate. There

would be revenue lost for local toll project entities that currently offer programs for discounted or free use of toll roads; however, revenue losses are not anticipated to be significant. For entities that do not offer such programs, there would be implementation costs as well as revenue lost from waived tolls. Additionally, local authorities have bond covenants that would need to be maintained.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 601 Department of Transportation, 608 Department of Motor Vehicles

LBB Staff: UP, LBO, EH, TG