

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 27, 2017

TO: Honorable Geanie W. Morrison, Chair, House Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3854 by Morrison, Geanie W. (Relating to the movement of certain vehicles transporting an intermodal shipping container; authorizing a fee; creating an offense.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3854, Committee Report 1st House, Substituted: 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 Revenue Gain from State Highway Fund 6	Probable Revenue Gain from Counties	Probable Revenue Gain from Municipalities
2018	\$1,500,000	\$875,000	\$125,000
2019	\$1,515,000	\$883,750	\$126,250
2020	\$1,530,000	\$892,500	\$127,500
2021	\$1,545,000	\$901,250	\$128,750
2022	\$1,560,000	\$910,000	\$130,000

Fiscal Analysis

The bill would amend the Transportation Code, to authorize the Texas Department of Motor Vehicles (TxDMV) to issue an annual permit authorizing the movement of sealed intermodal

shipping containers as defined by the bill. The bill would establish certain restrictions regarding axle weight and configurations and other conditions for vehicles that may operate under this permit. An applicant for a permit would be required to designate each counties and municipality in which the permit would be used. The bill would require an applicant to pay a permit fee of \$5,000, of which 60 percent would be deposited to the State Highway Fund (SHF), 35 percent would be divided equally among and distributed to the counties designated in the permit application, and five percent would be divided equally among and distributed to the municipalities designated in the permit application. The bill would require the Comptroller to send amounts due to the counties at least once each fiscal year for deposit to the credit of the county road and bridge fund. The bill would require the Department of Public Safety (DPS) to adopt rules requiring additional safety and driver training for permits issued under the provisions of the bill. The bill would create a Class C misdemeanor for certain offenses related to the permit.

Methodology

Based on the analysis of TxDMV, it is assumed 500 annual intermodal shipping container permits would be issued in fiscal year 2018 at \$5,000 each, resulting in revenue gains of \$1.5 million to the SHF; \$875,000 to the counties; and \$125,000 to the municipalities. This analysis assumes the number of permits issued and the associated fees collected would increase by one percent each fiscal year thereafter.

Based on LBB's analysis of information provided by TxDMV and DPS, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

The Texas Department of Transportation (TxDOT) indicates that the department may incur costs to evaluate bridges and install bridge load posting signs. Based on LBB's analysis of the information provided by TxDOT, it is assumed any costs or duties could be absorbed within the department's current resources.

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

According to the Department of Motor Vehicles, implementation of the bill would result in revenue gains of \$4,462,500 to the counties and \$637,500 to the municipalities over the next five years.

A Class C misdemeanor is punishable by a fine of not more than \$500. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. In addition to the fine, punishment can include up to 180 days of deferred disposition.

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

LBB Staff: UP, AG, EH, TG, JAW, JGA