

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 17, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1501 by Zaffirini (Relating to the regulation of motor vehicle towing, booting, and storage and to the elimination of required state licensing for vehicle booting companies and operators.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated. The legislation will not take effect unless the 85th Legislature makes an appropriation for its implementation.

The bill would repeal state licensing and regulation requirements for boot operators and booting companies effective September 1, 2018. The bill would authorize local authorities to regulate booting activities in areas where the authorities regulate parking or traffic, including the authority to incorporate requirements for booting companies and operators, establish procedures for vehicle owners and operators to file complaints, provide for the imposition of penalties on a booting company or operator, and provide for the revocation of the authority to boot vehicles.

Except as otherwise specified, the bill would take effect immediately if it received a vote of two thirds of all the members elected to each house. If it does not receive the vote necessary for immediate effect, the bill would take effect September 1, 2017. The bill would only take effect if a specific appropriation for the implementation of the bill is provided in a general appropriations act of the 85th Legislature.

The Texas Department of Licensing and Regulation estimates there would be an annual loss of approximately \$11,000 beginning in fiscal year 2019 and minimal savings to the agency associated with the deregulation of the industry.

This analysis indicates an appropriation is not necessary to implement the provisions of the bill, as it would decrease the work of the agency and result in a revenue loss.

Based on the analysis of Texas A&M University System Administrative and General Offices, University of Houston System Administration, The University of Texas System Administration, and the University of North Texas System Administration, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration

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