

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 5, 2019**

**TO:** Honorable Dan Flynn, Chair, House Committee on Defense & Veterans' Affairs

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1018** by Martinez (Relating to eliminating a fee for the issuance of specialty license plates for disabled veterans.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1018, As Introduced: an impact of \$0 through the biennium ending August 31, 2021. However, the bill would result in an estimated two-year impact of (\$1,306,863) to the Texas Department of Motor Vehicles Fund through the biennium ending August 31, 2021.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from Tx Dept of Motor Vehicles Fnd 10</b>
2020	(\$648,567)
2021	(\$658,296)
2022	(\$668,169)
2023	(\$678,192)
2024	(\$688,365)

**Fiscal Analysis**

The bill would amend Transportation Code §504.202 to eliminate the \$3.00 fee for the issuance of

a first set of Disabled Veteran specialty license plates. The bill would take effect on September 1, 2019.

### **Methodology**

Under current law, a person applying for a Disabled Veteran (DV) specialty license plate is charged a fee of \$3.00 for the first set of plates, which is deposited to the Texas Department of Motor Vehicles Fund No. 10 (TxDMV Fund). The Department of Motor Vehicles (DMV) reports that a total of 209,846 vehicles registered with DV specialty plates paid the \$3.00 fee. The agency assumes the number of such registered vehicles would increase at a rate of 1.5 percent each fiscal year. Based on the information and analysis provided by DMV, it is assumed implementation of the bill would result in a revenue loss to the TxDMV Fund of \$648,567 beginning in fiscal year 2020 with revenue losses continuing each year thereafter at an annual growth rate of 1.5 percent.

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

### **Technology**

The Department of Motor Vehicles anticipates one-time information technology programming costs to implement the provisions of the bill.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** WP, SLE, TG