

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 9, 2019

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

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

IN RE: **SB2014** by Fallon (Relating to voluntary contributions to the cancer prevention and research fund for pediatric cancer research.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2014, As Introduced: an impact of \$0 through the biennium ending August 31, 2021. However, the bill would result in a two-year impact of (\$807,142) 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:

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

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Tx Dept of Motor Vehicles Fnd 10
2020	(\$399,063)
2021	(\$408,079)
2022	(\$417,321)
2023	(\$426,794)
2024	(\$436,504)

Fiscal Analysis

The bill would amend the Transportation Code to allow a person to voluntarily contribute any

amount to the cancer prevention and research fund when a person applies for title of a motor vehicle, registers or renews the registration of a motor vehicle, applies for certain specialty license plates, or applies for an original or renewal driver license or personal identification certificate. The bill would require the Department of Motor Vehicles (DMV) to provide, in a conspicuous manner, an opportunity for a person to contribute to the fund at the time a person applies for title or applicable specialty license plate and in any registration renewal system used by the department. The bill would require the Department of Public Safety to include space on the first page of a driver license or personal identification application to indicate the amount a person is contributing to the fund and provide the opportunity for the person to contribute to the fund during the application process on the DPS Internet website. The bill will require such voluntary contributions to be deposited to the cancer prevention and research fund and specify that the money may be used only to fund pediatric cancer research.

The bill would take effect on September 1, 2019.

Methodology

Based on the information provided by DMV, it is assumed the agency would incur additional costs related to providing space in a conspicuous manner for a person to make a voluntary contribution to the fund on the agency's vehicle title application form. The agency anticipates that the current application form would need to be modified to include applicant information on a second page as opposed to one page for the current application. The agency reports that it incurs vendor costs of \$0.05 per image to scan title transaction documents for archival purposes. The agency anticipates that modification of the application form would result in the need to scan one additional page per title application. The agency reports that 6.9 million title applications were processed in fiscal year 2018 and projects a growth rate of 2.5 percent in the number of applications each fiscal year. Based on the information and analysis provided by DMV, it is assumed the agency would incur additional document imaging costs of \$360,663 to the Texas Department of Motor Vehicles Funds (TxDMV Fund) beginning in fiscal year 2020, with costs continuing each year thereafter at a growth rate of 2.5 percent. The agency also anticipates additional data storage capacity needs to archive the additional images for increased costs of \$38,400 to the TxDMV Fund each fiscal year beginning in fiscal year 2020.

DMV anticipates one-time information technology programming costs in fiscal year 2019 to implement the bill. Based on the information provided by DMV, it is assumed these costs would be absorbed within the agency's current resources.

DPS anticipates one-time costs for information technology programming and to update application forms. Based on the information and analysis provided by DPS, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

Voluntary donations would be remitted to the Comptroller for deposit to GR Account 5136 - Cancer Prevention and Research. Because the number of applicants who may choose to make voluntary contributions and the dollar amount of contributions is unknown, the potential revenue gain to GR Account 5136 cannot be estimated at this time. However, based on the analysis provided by the Cancer Prevention and Research Institute, it is assumed the bill would not result in a significant revenue gain to the account.

Note: 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.

Technology

The Department of Motor Vehicles (DMV) and Department of Public Safety anticipate one-time information technology costs to implement the provisions of the bill. DMV anticipates additional ongoing data storage capacity costs.

Local Government Impact

According to the Texas Association of Counties, the fiscal impact to counties would be dependent upon programming required in order to collect the donation. The extent of that impact could be significant in some county tax assessor-collector offices, but exact amount cannot be determined at this time.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 542 Cancer Prevention and Research Institute of Texas, 608 Department of Motor Vehicles

LBB Staff: WP, JGAn, TG, AF, JSm