

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 12, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB269 by Cortez (Relating to the issuance of specialty license plates for classroom teachers and retired classroom teachers; imposing a fee.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB269, As Engrossed : an impact of \$0 through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Revenue Gain/(Loss) from Texas Department of Motor Vehicles Fund 10</i>
2022	\$209,000
2023	\$213,000
2024	\$218,000
2025	\$222,000
2026	\$227,000

Fiscal Analysis

The bill would amend Chapter 504 of the Transportation Code to require the Texas Department of Motor Vehicles (TxDMV) to issue specialty license plates for classroom teachers with at least 15 years of service and retired classroom teachers with at least 20 years of service. The bill would establish fees for issuance of the specialty license plates in the amounts of \$15 for the classroom teacher plates and \$5 for the retired classroom teacher plates.

The bill would take effect on September 1, 2021.

Methodology

Based on the analysis provided by the Comptroller's office, it is assumed 134,300 teachers with at least 15 years of service would be eligible for the \$10 plate and 150,100 retired teachers would be eligible for the \$5 plate and that ten percent of those eligible would apply for a set of the specialty license plates beginning in fiscal year 2022, with the number specialty plates issued increasing by approximately two percent each fiscal year. Fees collected from the specialty license plate fees would be deposited to the Texas Department of Motor Vehicles Fund No. 10, resulting in revenue gains to Fund 10 beginning in fiscal year 2022 as shown in the table above.

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

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.

Local Government Impact

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles, 701 Texas Education Agency

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