

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 5, 2021

TO: Honorable Terry Canales, Chair, House Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2099 by Schaefer (Relating to the disclosure of personal information associated with a motor vehicle record for certain purposes.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2099, As Introduced: a negative impact of (\$41,153,600) 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>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$20,576,800)
2023	(\$20,576,800)
2024	(\$20,576,800)
2025	(\$20,576,800)
2026	(\$20,576,800)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from General Revenue Fund 1	Probable Revenue (Loss) from Texas Mobility Fund 365	Probable Revenue (Loss) from Tx Dept of Motor Vehicles Fnd 10
2022	(\$20,576,800)	(\$47,423,200)	(\$2,335,821)
2023	(\$20,576,800)	(\$47,423,200)	(\$2,335,821)
2024	(\$20,576,800)	(\$47,423,200)	(\$2,335,821)
2025	(\$20,576,800)	(\$47,423,200)	(\$2,335,821)
2026	(\$20,576,800)	(\$47,423,200)	(\$2,335,821)

Fiscal Analysis

The bill amends Section 521.0475(a) of the Transportation Code to limit who is authorized to receive personal information under permitted disclosures in Chapter 730 of the Transportation Code. The bill would restrict the type of government agencies and contractors that can obtain such personal information.

Methodology

The bill would prohibit the Department of Public Safety (DPS) from sending personal information to licensed

private investigators and to insurance companies for non-CDL card holders and other users.

According to DPS, many private investigators and insurance companies purchase driver records from the agency not only for private investigation and insurance purposes, but also for other permissible uses.

DPS indicates that while the total amount of revenue loss resulting from the bill is unknown, it could amount to 100 percent of the driver record sales revenue, which is deposited to both the Texas Mobility Fund (TMF) and General Revenue Fund (GR). The agency estimates that enactment of the bill could result in a total state revenue loss of \$68.0 million per fiscal year split between the two funds: \$47,423,200 to Fund 0365 (TMF) and \$20,576,800 to Fund 0001 (GR).

The Department of Motor Vehicles (TxDMV) reports in fiscal year 2020, there was \$2,595,357 in revenue collected for the Section 217.124 motor-vehicle record-search fees. According to TxDMV, implementation of the bill is estimated to result in a reduction of 90 percent in collection of these fees as customers are no longer able to receive the information to be prohibited for disclosure, resulting in an expected annual loss of \$2,335,821 in each fiscal year to Fund 0010 (Tx Department of Motor Vehicles Fund).

Note: The bill would reduce, rescind, or repeal the dedication of a specific source or portion of revenue dedicated to the Texas Mobility Fund. Article 3, Section 49k, of the Texas Constitution, specifies that while money in the Texas Mobility Fund is pledged for the payment of any outstanding debt obligations, the Legislature may not reduce, rescind, or repeal the dedication of a specific source or portion of revenue dedicated to the Texas Mobility Fund unless the Legislature by law dedicates a substitute or different source of revenue that is projected by the Comptroller to be of a value equal to or greater than the source or amount being reduced, rescinded, or repealed.

Technology

Costs for the programming and required DL resources would be absorbed operationally.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 405 Department of Public Safety, 608 Department of Motor Vehicles

LBB Staff: JMc, AAL, KFB, NA