

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 8, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2262 by Schofield (relating to the extended registration of certain fleet vehicles.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2262, Committee Report 1st House, Substituted : 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, Six- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2021	\$0
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Six-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from Texas Department of Motor Vehicles Fund 10</i>
2021	(\$250,000)
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

Fiscal Analysis

The bill would amend Chapter 502 of the Transportation Code to require the Texas Department of Motor Vehicles (TxDMV) to develop and implement a system to allow the owner of an exempt fleet to register the fleet of exempt vehicles for an extended period of not less than one year or more than eight years. The bill would specify that a motor vehicle, semitrailer, or trailer registered under the extended exempt fleet registration would be subject to inspection requirements as if it were registered without an extended

registration period. The bill would require TxDMV to adopt rules to implement the provisions of the bill.

The bill would take effect on September 1, 2021.

Methodology

Based on information provided by TxDMV, it is assumed the agency would incur a one-time cost of \$250,000 to the Texas Department of Motor Vehicles Fund in fiscal year 2021 for programming changes to accommodate the new process for extended exempt fleet registration.

Because the bill would require vehicles, semitrailers, and trailers that are part of an extended exempt fleet registration to comply with state vehicle inspection laws as if they were not registered for an extended period of more than one year, it is assumed implementation of the bill would not impact State revenue collections from vehicle inspections.

Technology

It is assumed TxDMV would incur a one-time information technology cost of \$250,000 for programming changes in fiscal year 2021 to accommodate the new exempt fleet registration process by the bill's effective date of September 1, 2021.

Local Government Impact

Based on information provided by the Texas Association of Counties, it is assumed implementation of the bill would result in a fiscal impact to counties that choose to voluntarily register an exempt vehicle fleet; however, the extent of the impact to counties cannot be determined at this time.

Source Agencies: 608 Department of Motor Vehicles

LBB Staff: JMc, AAL, MB, TG