

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: HB2306 by Fierro (Relating to the denial of the registration of a motor vehicle based on certain information provided by a county to the Texas Department of Motor Vehicles.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2306, As Introduced : 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 Savings/(Cost) from Texas Department of Motor Vehicles Fund 10</i>
2022	(\$833,650)
2023	\$0
2024	\$0
2025	\$0
2026	\$0

Fiscal Analysis

The bill would amend Transportation Code, Section 502.010, to require the Texas Department of Motor Vehicles (TxDMV) to develop and implement a system through which counties may provide certain "county scofflaw" information to TxDMV and that verifies the information by searching against a vehicle owner's driver's license number, date of birth, or other information provided to TxDMV. The bill would require TxDMV to implement the system not later than September 1, 2022. This provision of the bill would take effect on September 1, 2021. Other provisions of the bill would take effect on September 1, 2022.

Methodology

Based on the information provided by TxDMV, it is assumed the agency would incur a one-time cost of \$833,650 to the Texas Department of Motor Vehicles Fund in fiscal year 2022 for programming to develop and implement the new system required by the bill.

Technology

The Texas Department of Motor Vehicles estimates a one-time technology cost of \$833,650 to program the new system required by the bill.

Local Government Impact

According to El Paso County, the real-time online database would eliminate an annual revenue loss of \$160,000 the County experiences in past due fines, fees and taxes. No significant fiscal impact to other units of local government is anticipated.

Source Agencies: 608 Department of Motor Vehicles

LBB Staff: JMc, AAL, MB, TG, AF