

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 30, 2021

TO: Honorable Richard Peña Raymond, Chair, House Committee on Defense & Veterans' Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3859 by Guillen (relating to the issuance of specialty license plates for recipients of certain Texas military awards.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3859, 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	(\$424,184)
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

Fiscal Analysis

The bill would amend Transportation Code §504.315 to require the Texas Department of Motor Vehicles (TxDMV) to issue six new specialty license plates for recipients of certain Texas military awards for extraordinary service. The bill would amend Subchapter D, Chapter 504 of the Transportation Code require TxDMV to issue 28 additional types of specialty license plates for recipients of various military awards. The bill would amend Transportation Code §504.202 to allow a Disabled Veteran license plate to include an emblem

from another specialty plate created by the bill to which a person is entitled.

The bill would take effect on September 1, 2021.

Methodology

According to TxDMV, the bill would create 34 new specialty license plates for recipients of certain Texas military awards and a Disabled Veteran version for each of the new specialty license plates for a total of 68 new specialty plate types. TxDMV reports that implementation of the bill would require a one-time cost of \$6,238 for programming agency information systems for each new specialty license plate type created by the bill, resulting in an estimated cost of \$424,184 to the Texas Department of Motor Vehicles Fund in fiscal year 2021.

Under current law, a person eligible for any of the license plates that would be established under Transportation Code §504.315 could apply for one set of the specialty plates without payment of the regular registration fees. Based on the information provided by TxDMV, it is assumed the number of individuals who would qualify and apply for these new specialty license plates would not be significant; therefore, it is assumed implementation of the bill would not result in a significant impact to state or local revenue from vehicle registration fees.

Technology

TxDmv estimates a one-time technology cost of \$424,184 in fiscal year 2021 for programming agency information systems to implement the provisions of the bill by the effective date of September 1, 2021.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 608 Department of Motor Vehicles

LBB Staff: JMc, SLE, MB, TG