

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 3, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4535 by Guillen (relating to axle weight limitations for certain vehicles transporting aggregates.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB4535, Committee Report 1st House, Substituted : an impact of \$0 through the biennium ending August 31, 2023. However, the bill would have an impact of (\$3,614,063) to the State Highway Fund and (\$1,847,188) to the Texas Department of Motor Vehicles Fund 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	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain/(Loss) from State Highway Fund 6	Probable Revenue Gain/(Loss) from Texas Department of Motor Vehicles Fund 10	Probable Savings/(Cost) from Counties
2022	(\$1,793,588)	(\$916,723)	(\$2,790,025)
2023	(\$1,820,475)	(\$930,465)	(\$2,831,850)
2024	(\$1,847,813)	(\$944,438)	(\$2,874,375)
2025	(\$1,875,488)	(\$958,583)	(\$2,917,425)
2026	(\$1,903,613)	(\$972,958)	(\$2,961,175)

Fiscal Analysis

The bill would amend Section 621.101 of the Transportation Code to allow certain vehicles transporting aggregates, as defined in statute, to operate at an axle weight 15 percent greater than the limit set by current law.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2021.

Methodology

Based on the information provided by the Texas Department of Motor Vehicles (TxDMV), the bill would authorize eligible vehicles to operate at an axle weight 15 percent greater than the current limit without an overweight vehicle permit and would result in 15,943 fewer Over Axle/Over Gross Weight Tolerance Permits being issued beginning in fiscal year 2022. Based on the analysis provided by TxDMV and the Comptroller's office, the fee amount for the permits is \$345; of this amount \$112.50 is deposited to State Highway Fund 6, \$57.50 is deposited to Texas Department of Motor Vehicles Fund 10, and \$175 is allocated to affected counties; and the number of permits issued is estimated to grow by 1.5 percent each year under current law. Based on this analysis, it is assumed implementation of the bill would result in the revenue losses shown in the table above beginning in fiscal year 2022.

Local Government Impact

Based on the analysis provided by TxDMV and the Comptroller's office, it is assumed implementation of the bill would result in a loss of approximately \$14.4 million to affected counties for the five-year period from fiscal year 2022 to 2026.

Source Agencies: 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles

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