

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 9, 2021

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **SB15** by Nichols (relating to the Texas Consumer Privacy Act Phase I; creating criminal offenses; increasing the punishment for an existing criminal offense.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB15, 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 (Cost) from Appropriated Receipts 666	Probable Revenue (Loss) from Appropriated Receipts 666
2022	(\$20,576,800)	(\$47,423,200)	(\$70,000)	(\$45,000)
2023	(\$20,576,800)	(\$47,423,200)	(\$50,000)	(\$95,000)
2024	(\$20,576,800)	(\$47,423,200)	(\$50,000)	(\$95,000)
2025	(\$20,576,800)	(\$47,423,200)	(\$50,000)	(\$95,000)
2026	(\$20,576,800)	(\$47,423,200)	(\$50,000)	(\$95,000)

<i>Fiscal Year</i>	Probable Savings/(Cost) from State Highway Fund 6
2022	(\$37,000)
2023	(\$37,000)
2024	(\$37,000)
2025	(\$37,000)
2026	(\$37,000)

Fiscal Analysis

The bill would amend Section 204.011 of the Transportation Code to repeal the Department of Transportation's authority to disclose certain personal information or sell mailing lists containing the personal information of "Texas Highways" subscribers or purchasers of certain promotional items.

The bill would amend Chapter 730 of the Transportation Code to limit the disclosure of certain personal information to an entity other than an authorized recipient, as defined by the bill, and restrict the use of certain personal information obtained by an agency for certain purposes.

The bill would create new offenses related to improper use of personal information obtained in connection with a motor vehicle record. Those offenses would be punishable by a fine not to exceed \$100,000.

The bill would amend the Parks and Wildlife Code to add conditions to the disclosure of certain statistical data and personal information by the Texas Parks and Wildlife Department.

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, if companies choose not to purchase driver records because they cannot resell them, it could amount to 100 percent of the driver record sales revenue, which is deposited to both the Texas Mobility Fund 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).

Based on information provided by TxDOT, it is assumed the removal of the agency's authority to sell or rent "Texas Highways" subscriber lists would result in an annual revenue loss of \$37,000 to the State Highway Fund.

Based on the information provided by the Texas Parks and Wildlife Department (TPWD), the agency estimates a revenue loss from the sale of customer lists of \$45,000 per fiscal year, as well as a loss of revenue of magazine subscriptions of \$50,000 per year starting in fiscal year 2023. Additionally, TPWD estimates an increase in expenses related to the purchase of customer lists of \$70,000 in fiscal year 2022 and \$50,000 in each fiscal year thereafter.

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 49-k, 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

According to DPS, any costs for the programing and required driver license resources will be absorbed operationally.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 304 Comptroller of Public Accounts, 405 Department of Public Safety, 601 Department of Transportation, 608 Department of Motor Vehicles, 802 Parks and Wildlife Department

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