

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 20, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB935 by West (relating to an exception to the titling requirement for certain motor vehicles; creating a criminal offense.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code by adding Section 501.098 to create an exception to titling requirements for certain vehicles purchased by a metal recycler or used automotive parts recycler. The bill would require these entities to submit to the Texas Department of Motor Vehicles (TxDMV) information necessary for reporting to the National Motor Vehicle Title Information System (NMVTIS). The bill would require DMV to notify a recycler if a purchased vehicle has been reported stolen. The bill would amend Section 501.109 to classify violations of certain requirements under proposed Section 501.098 as misdemeanor and/or state jail felony offenses.

Based on the information provided by TxDMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

This analysis assumes the provisions of the bill addressing felony sanctions for criminal offenses would not result in a significant impact on state correctional agencies.

Local Government Impact

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

The offenses created by the bill would be Class B and Class C misdemeanors. A Class B misdemeanor is punishable by a fine of not more than \$2,000, confinement in jail for a term not to exceed 180 days, or both. A Class C misdemeanor is punishable by a fine of not more than \$500. In addition to the fine, punishment can include up to 180 days of deferred disposition. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact.

Source Agencies: 212 Office of Court Admin, 405 Department of Public Safety, 608 Department of Motor Vehicles

LBB Staff: JMc, AAL, TG, AF