

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 20, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1865 by West (Relating to an annual permit for certain equipment used to apply paint to roadways; authorizing a fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1865, As Introduced : a positive impact of \$202,000 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	\$100,000
2023	\$102,000
2024	\$104,000
2025	\$106,000
2026	\$108,000

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Revenue Gain/(Loss) from General Revenue Fund 1</i>	<i>Probable Revenue Gain/(Loss) from State Highway Fund 6</i>	<i>Probable Revenue Gain/(Loss) from Texas Department of Motor Vehicles Fund 10</i>
2022	\$100,000	\$270,000	\$30,000
2023	\$102,000	\$275,400	\$30,600
2024	\$104,000	\$280,800	\$31,200
2025	\$106,000	\$286,200	\$31,800
2026	\$108,000	\$291,600	\$32,400

Fiscal Analysis

The bill would amend Transportation Code §623.071 to authorize the Texas Department of Motor Vehicles (TxDMV) to issue an annual permit to allow the operation on a state highway of oversize and overweight equipment that is used solely for applying paint to a roadway as part of the construction or maintenance of public roads. The bill would amend Transportation Code §623.076 (c) to specify that an application for the permit is subject to a fee established by the board of TxDMV, in consultation with the Texas Transportation Commission, not to exceed \$7,000. The bill would amend Transportation Code §623.077 (a) to exempt an applicant for this permit from payment of the additional highway maintenance fee established under that

section.

The bill would take effect on September 1, 2021.

Methodology

TxDMV reports that the current annual fee for permits subject to Transportation Code §623.076 (c) is \$4,000, of which the first \$1,000 is deposited to General Revenue Fund 0001, 90 percent of the remainder is deposited to State Highway Fund 0006, and the remaining 10 percent to the TxDMV Fund 0010. Based on the analysis provided by TxDMV, it is assumed 100 annual permits would be issued in fiscal year 2022 and the number of permits issued would increase by 1.5 percent each fiscal year. The table above shows the estimated revenue gains to the General Revenue Fund, State Highway Fund, and TxDMV Fund for fiscal years 2022 to 2026 from issuance of the permit authorized by the bill. It is assumed similar revenue revenue impacts would continue beyond fiscal year 2026.

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 does not include an estimate of the impact on pavement or bridge consumption that may be associated with the vehicle size and weight limitations authorized by the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles

LBB Staff: JMc, AAL, MB, TG