

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 20, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1846 by Ashby (Relating to the skills test required for a commercial driver's license for certain commercial learner's permit holders.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB1846, As Introduced : a negative impact of (\$17,729,880) through the biennium ending August 31, 2025.

The fiscal implications to the Texas Mobility Fund No. 365 cannot be determined at this time due to a lack of reliable information to provide a reasonably sound basis for estimating the impact of the bill because the number of additional skills tests that are second or third attempts is unknown.

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>
2024	(\$14,894,149)
2025	(\$2,835,731)
2026	(\$2,835,731)
2027	(\$2,835,731)
2028	(\$2,835,731)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$14,894,149)	30.0
2025	(\$2,835,731)	30.0
2026	(\$2,835,731)	30.0
2027	(\$2,835,731)	30.0
2028	(\$2,835,731)	30.0

Fiscal Analysis

The bill would amend the Transportation Code to require the Department of Public Safety (DPS) to administer a skills test to a person with a commercial learner's permit issued by another state or jurisdiction and send the results of the skills test to the state or jurisdiction.

The bill would take effect September 1, 2023.

Methodology

According to DPS, a License and Permit Specialist can conduct a maximum of 4 skills tests in a day, or 992 annually. In fiscal year 2022, 117,547 Commercial Driver's License (CDL) skills tests were administered by the Department.

Based on information provided by the agency, under the provisions of the bill the number of skills tests conducted would increase by 25.0 percent each fiscal year, or 29,387, and would require 30.0 additional License and Permit Specialist positions (29,387 additional skills tests / 992 skills tests conducted per position). This analysis includes \$2,179,001 in General Revenue in fiscal year 2024 and \$2,305,233 in fiscal year 2025 for salary and benefits.

Additional CDL drive lanes would be needed for 30.0 License and Permit Specialist to conduct the additional skills tests. A single CDL drive lane can accommodate 2.0 License and Permit Specialists conducting tests simultaneously. According to DPS, the cost to develop one CDL drive lane is approximately \$812,310. This analysis assumes a onetime cost of \$12,184,650 in General Revenue for 15 additional CDL drive lanes in fiscal year 2024.

Other costs including utilities, consumables, and other operating expenses would total \$530,498 in General Revenue each fiscal year.

Transportation Code Sec. 522.029 establishes a \$96 fee for the issuance of a CDL and requires all fee revenue be deposited to the credit of the Texas Mobility Fund (TMF). Each fee entitles an applicant to three attempts to pass the skills test, if needed. This analysis assumes a positive impact to the TMF as fee revenue would increase along with the number of skills tests conducted, but the impact cannot be determined due to the number of additional skills tests that are second or third attempts, being unknown.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety

LBB Staff: JMc, AAL, KFB, DA