

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 25, 2023**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3934** by Lozano (Relating to the operation of vehicles transporting iron or steel products; authorizing a fee.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Transportation Code, Chapter 623, by adding Subchapter W to authorize the Texas Department of Motor Vehicles (TxDMV) to issue a new oversize/overweight permit for vehicles transporting iron or steel products in a county producing more than 100,000 tons annually of iron and steel products, as determined by TxDMV. The bill would establish a fee of \$900 for the permit, which would be valid for one year. The bill would require the applicant to designate the counties in which the vehicle will be operated. Of each fee collected, the bill would specify that 50 percent is to be deposited to the State Highway Fund and 50 percent is to be divided equally among all counties designated in the permit application.

The bill would require a “financially responsible party,” before a permitted vehicle may be operated on a county road or state highway, to execute a notification document, filed electronically with TxDMV, and agree to reimburse the county or the state for road damage resulting from transportation authorized by the permit. The bill would require TxDMV to immediately send a copy of the notification to the Texas Department of Transportation (TxDOT) and each designated county. The bill would authorize TxDOT or a county to inspect the conditions of a road or highway identified in the notification document and provide photographs and other documentation of the road conditions. The bill would authorize the state or a county, as applicable, to assert a claim against any security posted or insurance filed by the responsible party for road damage. The bill would take effect on September 1, 2023.

Based on the information and analysis provided by TxDMV and the Comptroller's office, it is assumed implementation of the new permit and permit fee would not result in a significant fiscal impact to State or local revenue.

Based on the information provided by TxDOT and TxDMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agencies' existing resources. This analysis does not include an estimate of the impact on road consumption or associated maintenance costs that may result from implementation of the bill.

**Local Government Impact**

No significant 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, TG