

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 19, 2025

TO: Honorable Tom Craddick, Chair, House Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1607 by Metcalf (Relating to license plates and license plate windshield insignia issued for and displayed on a vehicle; authorizing a fee; creating a criminal offense.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1607, As Introduced: a negative impact of (\$286,125) through the biennium ending August 31, 2027.

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 <i>General Revenue Related Funds</i>
2026	(\$286,125)
2027	\$0
2028	\$0
2029	\$0
2030	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Tx Dept of Motor Vehicles Fund</i> 10
2026	(\$286,125)	(\$641,500)
2027	\$0	\$0
2028	\$0	\$0
2029	\$0	\$0
2030	\$0	\$0

Fiscal Analysis

The bill would require the Texas Department of Motor Vehicles (TxDMV) to adopt rules authorizing a passenger car or light truck to display only a rear license plate if the vehicle is not equipped by the manufacturer to allow a front license plate to be attached without drilling through the exterior of the vehicle and to require such vehicles to display a license plate windshield insignia issued by TxDMV. The bill would authorize TxDMV to prescribe the manner and form of an application for the windshield insignia and establish a fee for the windshield insignia in an amount necessary to cover the agency's costs.

The bill would take effect on September 1, 2025.

Methodology

Based on the information provided by TxDMV, it is assumed implementation of the bill would require one-time information technology implementation costs in fiscal year 2026, including \$641,500 from the Texas Department of Motor Vehicles Fund No. 10 to program TxDMV's automated systems and \$286,125 from the General Revenue Fund for programming changes to the Texas by Texas program hosted by the Department of Information Resources (DIR).

Based on the information and analysis provided by TxDMV and the Comptroller's office, it is assumed the adoption and implementation of the fee for issuance of the windshield insignia would not result in a significant impact on state revenue.

Technology

The Department of Motor Vehicles estimates a one-time information technology cost of \$641,500 from the Texas Department of Motor Vehicles Fund No. 10 and \$286,125 from the General Revenue Fund for programming changes to the agency's automated systems and DIR's Texas by Texas program.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 405 Department of Public Safety, 608 Department of Motor Vehicles

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