

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 21, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3331 by Perez, Mary Ann (Relating to the operation of vehicles transporting steel; authorizing a fee.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB3331, As Introduced: a negative impact of (\$76,000) 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	(\$38,000)
2027	(\$38,000)
2028	(\$39,000)
2029	(\$39,000)
2030	(\$40,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain/(Loss) from <i>Tx Dept of Motor Vehicles</i> <i>Fnd</i> 10	Probable Revenue Gain/(Loss) from <i>Counties</i>
2026	(\$38,000)	\$257,000	\$21,000	\$39,000
2027	(\$38,000)	\$260,000	\$21,000	\$40,000
2028	(\$39,000)	\$264,000	\$22,000	\$40,000
2029	(\$39,000)	\$268,000	\$22,000	\$41,000
2030	(\$40,000)	\$272,000	\$22,000	\$41,000

Fiscal Analysis

The bill would authorize the Texas Department of Motor Vehicles (TxDMV) to issue an overweight vehicle permit for the movement of steel by certain truck-tractor and semitrailer combinations. The bill would establish a fee of \$1,200 for the permit, which would be valid for one-year. The bill would require the permit applicant to designate in the permit application the counties in which the applicant intends to operate. Of each permit fee collected, 75.0 percent would be deposited to the State Highway Fund, 15.0 percent would be divided equally among and distributed to the counties designated in the permit application, and 10.0 percent would be deposited to the Texas Department of Motor Vehicles Fund. The bill would require the Comptroller of

Public Accounts, at least once each fiscal year, to send the amount due to each county for deposit to the county road and bridge fund. The bill would take effect on January 1, 2026.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Methodology

Based on the analysis provide by TxDMV, it is assumed implementation of the bill would result in the issuance of 300 fewer weight tolerance permits under Transportation Code, Section 623.011, due to operators opting to apply for the new permit authorized by the bill beginning in fiscal year 2026, with the number of permits increasing at an annual growth rate of 1.5 percent in subsequent fiscal years.

The current Section 623.011 permit includes (1) a \$90 base fee, of which \$50 is distributed to counties and \$40 to the TxDMV Fund No. 10; (2) a \$5.00 administrative fee deposited to TxDMV Fund No. 10; and an additional fee based on the number of counties designated on the permit. For the purposes of this analysis, it is assumed each permit impacted by the proposed legislation would have paid the additional fee for operation in 1 to 5 counties in the amount of \$175, of which \$125 goes to General Revenue Fund 0001, \$45 is deposited to the State Highway Fund (SHF) No. 0006, and \$5.00 to TxDMV Fund No. 10. Of each \$1,200 fee for the proposed new permit, \$900 would be deposited to SHF No. 0006, \$180 would be distributed to the counties designated in the permit, and \$120 would be deposited to TxDMV Fund No. 10. Therefore, for each new permit issued in lieu of the current Section 623.011 permit, the resulting impact to state and local revenue would be a loss of \$125 to General Revenue Fund 0001, a gain of \$855 to SHF No. 0006, a gain of \$70 to TxDMV Fund No. 10, and a gain of \$130 to the counties. The table above shows the estimated net revenue impact to the State and counties based on the analysis provided by TxDMV and the Comptroller's office for fiscal year 2026 to 2030.

Local Government Impact

It is assumed implementation of the bill would result in a revenue gain to the county road and bridge fund from the portion of permit fees allocated to each county designated in an application for the permit.

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

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