

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 29, 2025

**TO:** Honorable Giovanni Capriglione, Chair, House Committee on Delivery of Government Efficiency

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

**IN RE: HB3837** by Canales (Relating to the regulation of autonomous vehicles; creating a criminal offense.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3837, As Introduced: a negative impact of (\$327,000) through the biennium ending August 31, 2027.

Because the number of autonomous vehicle operator permits that would be applied for and be issued and the amount of the permit fee that would be established by the new Autonomous Vehicle Commission are unknown, the impact to State revenue cannot be estimated at this time.

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<br><i>General Revenue Related Funds</i> |
|--------------------|--|
| 2026               | (\$327,000)  |
| 2027               | \$0  |
| 2028               | \$0  |
| 2029               | \$0  |
| 2030               | \$0  |

All Funds, Five-Year Impact:

| <i>Fiscal Year</i> | Probable Savings/(Cost) from<br><i>General Revenue Fund</i><br>1 | Probable Savings/(Cost) from<br><i>Texas Department of Motor Vehicles Fund</i><br>10 |
|--------------------|--|--|
| 2026               | (\$327,000)  | (\$962,960)  |
| 2027               | \$0  | \$0  |
| 2028               | \$0  | \$0  |
| 2029               | \$0  | \$0  |
| 2030               | \$0  | \$0  |

Fiscal Analysis

The bill would establish the Autonomous Vehicle Commission (the commission), composed of 13 members, administratively attached to the Texas Department of Motor Vehicles (TxDMV) to be funded using department resources and staffed by TxDMV employees. The bill would require the commission to oversee the

administration and enforcement of Transportation Code, Subchapter J, Chapter 545, relating to regulating the operation of autonomous vehicles. Excluding certain exceptions allowable by commission rule, the bill would require the owner of an autonomous vehicle to hold a permit issued by the commission to operate an autonomous vehicle in Texas. The permit would be issued based on eligibility criteria and upon payment of an annual fee determined by commission rule to cover the cost of administering the provisions. The commission would be required to establish and maintain an online portal on the TxDMV website to allow a person to apply for and pay fees to maintain a permit and register applicable autonomous vehicles with the commission. The bill would require TxDMV to require a person, when registering a motor vehicle, to indicate whether the vehicle is an autonomous vehicle and, if so, include the permit number for any permit issued to the person by the commission. The bill would create a Class A misdemeanor offense committed when a person who is the owner of an autonomous vehicle violates certain requirements for an autonomous vehicle to operate on a public highway.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or, otherwise, on September 1, 2025.

### **Methodology**

Based on the information provided by TxDMV, it is assumed the department would incur one-time information technology costs of \$962,960 from TxDMV Fund No. 10 to implement programming changes to the department's automated systems and \$327,000 from the General Revenue Fund for development costs related to the Department of Information Resources' Texas by Texas mobile customer service application to implement vehicle registration and establish the online portal requirements of the bill.

Because the number of autonomous vehicle operator permits that would be applied for and issued and the amount of the permit fee that would be established by the new Autonomous Vehicle Commission are unknown, the impact to State revenue cannot be estimated at this time. For the purposes of this analysis, it is assumed the permit fee would be deposited to the credit of General Revenue Fund 0001 and the fee revenue would be sufficient to accommodate the ongoing administrative support costs of the commission, subject to legislative appropriations from these General Revenue Fund collections.

It is assumed that any fiscal impact and any impact on state correctional populations or on the demand for state correctional resources would not be significant.

### **Technology**

The Texas Department of Motor Vehicles would incur one-time information technology development costs of \$962,960 to the TxDMV Fund No. 10 and \$327,000 to the General Revenue Fund for programming changes to the department's automated systems and the Department of Information Resources' Texas by Texas mobile customer service application.

### **Local Government Impact**

It is assumed that any fiscal impact to units of local government associated with enforcement, prosecution, supervision, or confinement would not be significant.

**Source Agencies:** 116 Sunset Advisory Commission, 212 Office of Court Administration, Texas Judicial Council, 300 Trusteed Programs Within the Office of the Governor, 405 Department of Public Safety, 452 Department of Licensing and Regulation, 608 Department of Motor Vehicles, 710 Texas A&M University System Administrative and General Offices, 727 Texas A&M Transportation Institute

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