

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 15, 2025

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB2001 by King (Relating to the registration of vehicles, the issuance of disabled parking placards, and certain benefits associated with that registration or issuance for certain peace officers with disabilities; authorizing a fee.), **As Introduced**

Because the number of eligible peace officers that would opt to register a vehicle with the disabled peace officer specialty license plates created by the bill, without payment of other vehicle registration fees and would be exempt from payment of parking fees at certain governmental facilities is unknown, the fiscal implications to the State cannot be determined at this time.

The bill would require the Texas Department of Motor Vehicles to issue new specialty license plates for qualifying disabled peace officers and establish a fee of \$3.00 for the first set of license plates. The bill would authorize a person entitled to these specialty license plates to register one vehicle without payment of any fee paid for at the time of registration other than the fee for the specialty plates. The bill would provide an exemption from the payment of a parking meter fee charged by a governmental entity other than the federal government for parking a vehicle registered with the new specialty license plates. The bill would specify that a toll project entity, including local toll project entities and the Texas Department of Transportation (TxDOT), that offers a discount program for electronic toll collection customers must include free or discounted use of the entity's toll project by an electronic toll collection customer whose account relates to a vehicle registered with the new specialty plate. The bill would take effect on September 1, 2025.

The bill would authorize an eligible person to register one vehicle with a set of the new specialty license plates for a fee of \$3.00 and without payment of the regular vehicle registration fees. For each eligible vehicle registration, TxDMV estimates revenue losses of \$50.75 from the base registration fee (allocated 95.0% to the State Highway Fund and 5.0% to the counties); revenue losses from registration processing and handling fees (\$1.50–\$2.45 to the TxDMV Fund No. 10 and \$0.25–\$2.30 to the counties); and losses of local revenue for optional county fees assessed at the time of registration. These revenue losses would be offset by the \$3.00 specialty plate fee deposited to the TxDMV Fund No. 10.

Because the number of peace officers that are disabled due to an injury suffered while on-duty that would be eligible for and opt to register a vehicle with a set of the new disabled peace officer specialty license plates is unknown, the resulting impact to state and local registration fee revenue cannot be determined.

Based on information provided by TxDMV, it is assumed that any costs associated with the bill could be absorbed using existing resources.

Based on the analysis provided by the Comptroller's office, the number of instances and duration of time for which an eligible vehicle would park at a parking meter – either private or municipally owned – and the associated parking fees that such a vehicle would be exempted from are unknown. Therefore, the resultant decline in fee revenue and Chapter 151, Tax Code (Limited Sales, Excise, and Use Tax) revenue cannot be determined.

Based on information provided by TxDOT, it is assumed costs associated with implementation of a toll customer discount program under the provisions of the bill could be absorbed within existing resources.

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

Local Government Impact

The fiscal implications of the bill cannot be determined at this time.

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

LBB Staff: JMc, AAL, GDZ, TG