

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Hughes, Harper-Brown

H.B. No. 2854

A BILL TO BE ENTITLED

AN ACT

relating to license plates created by the Texas Department of  
Transportation for professional firefighters.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 504, Transportation Code,  
is amended by adding Section 504.414 to read as follows:

Sec. 504.414. PROFESSIONAL FIREFIGHTER PLATES. (a) The  
professional firefighter plate may be issued to qualified  
firefighters. The sponsor of the plate may nominate a state agency  
for receipt of funds under Section 504.801(e)(2)(A).

(b) After deduction of the department's administrative  
costs in accordance with Section 504.801, the remainder of the fees  
from the sale of professional firefighter plates shall be deposited  
to the credit of an account in the state treasury to be used by the  
nominated state agency for the purpose of making grants to support  
the activities of an organization of professional firefighters  
located in this state that provides emergency relief and college  
scholarship funds to the professional firefighters and their  
dependents.

SECTION 2. This Act takes effect immediately if it receives  
a vote of two-thirds of all the members elected to each house, as  
provided by Section 39, Article III, Texas Constitution. If this  
Act does not receive the vote necessary for immediate effect, this  
Act takes effect September 1, 2009.

ADOPTED

MAY 27 2009

*Adair Spaw*  
Secretary of the Senate

BY: *Wentworth*

COMMITTEE AMENDMENT NO. 1

1 Amend H.B. No. 2854 (engrossed version) by adding the  
2 following appropriately numbered SECTIONS to the bill and  
3 renumbering the remaining SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. Section 504.003, Transportation Code, is  
5 amended by amending Subsection (c) and adding Subsection (c-1) to  
6 read as follows:

7 (c) If a the souvenir license plate issued before  
8 September 1, 2009, is personalized, the fee for the plate is  
9 \$40. Of the fee:

10 (1) \$20 shall be deposited to the credit of the state  
11 highway fund;

12 (2) \$10 shall be deposited to the credit of the  
13 designated account if the souvenir license plate is a replica of a  
14 specialty license plate issued under Subchapter G or I for which the  
15 fee is deposited to a designated account other than the state  
16 highway fund; and

17 (3) the remainder shall be deposited to the credit of  
18 the general revenue fund.

19 (c-1) The fee for a souvenir license plate issued on or  
20 after September 1, 2009, is the amount established under Section  
21 504.851(c).

22 SECTION \_\_\_\_\_. Section 504.102, Transportation Code, is  
23 amended to read as follows:

24 Sec. 504.102. PERSONALIZATION OF ~~OTHER~~ SPECIALTY LICENSE  
25 PLATE ~~[PLATES]~~. Unless expressly prohibited by this chapter or  
26 department rule, any specialty license plate issued under this  
27 chapter may be personalized. If a another specialty license  
28 plate is personalized, the fee for personalization of the specialty  
29 license plate ~~[established by Section 504.101(c)]~~ shall be added to

1 the fee for issuance of that specialty license plate.

2 SECTION \_\_\_\_\_. Section 504.601, Transportation Code, is  
3 amended to read as follows:

4 Sec. 504.601. GENERAL PROVISIONS APPLICABLE TO ~~[ALL]~~  
5 SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION. (a) Unless  
6 expressly provided by this subchapter or department rule:

7 (1) the fee for issuance of a license plate under this  
8 subchapter is \$30; and

9 (2) of each fee received under this subchapter, the  
10 department shall use \$8 to defray its administrative costs in  
11 complying with this subchapter.

12 (b) This section does not apply to a specialty license plate  
13 marketed and sold by a private vendor at the request of the  
14 specialty license plate sponsor under Section 504.6011.

15 SECTION \_\_\_\_\_. Subchapter G, Chapter 504, Transportation  
16 Code, is amended by adding Section 504.6011 to read as follows:

17 Sec. 504.6011. GENERAL PROVISIONS APPLICABLE TO SPECIALTY  
18 LICENSE PLATES FOR GENERAL DISTRIBUTION SOLD THROUGH PRIVATE  
19 VENDOR. (a) The sponsor of a specialty license plate authorized to  
20 be issued under this subchapter before September 1, 2009, may  
21 contract with the private vendor authorized under Subchapter J for  
22 the marketing and sale of the specialty license plate.

23 (b) The fee for issuance of a specialty license plate  
24 described by Subsection (a) is the amount established under Section  
25 504.851.

26 (c) Notwithstanding any other law, from each fee received  
27 for the issuance of a specialty license plate described by  
28 Subsection (a), the department shall:

29 (1) deduct the administrative costs described by  
30 Section 504.601(a)(2);

31 (2) deposit to the credit of the account designated by

1 the law authorizing the specialty license plate the portion of the  
2 fee for the sale of the plate that the state would ordinarily  
3 receive under the contract described by Section 504.851(a); and

4 (3) pay to the private vendor the remainder of the fee.

5 SECTION \_\_\_\_\_. Section 504.801, Transportation Code, is  
6 amended by amending Subsections (d), (e), and (f) and adding  
7 Subsection (d-1) to read as follows:

8 (d) The fee for issuance of license plates created  
9 [~~authorized~~] under this subchapter before September 1, 2009, is \$30  
10 unless the department sets a higher fee. This subsection does not  
11 apply to a specialty license plate marketed and sold by a private  
12 vendor at the request of the specialty license plate sponsor.

13 (d-1) The fee for issuance of license plates created under  
14 this subchapter on or after September 1, 2009, is the amount  
15 established under Section 504.851.

16 (e) For each fee collected for a license plate issued by the  
17 department under this section:

18 (1) \$8 shall be used to reimburse the department for  
19 its administrative costs; and

20 (2) the remainder shall be deposited to the credit of:

21 (A) the specialty license plate fund, which is an  
22 account in the general revenue fund, if the sponsor nominated a  
23 state agency to receive the funds; or

24 (B) the state highway fund if the sponsor did not  
25 nominate a state agency to receive the funds or if there is no  
26 sponsor.

27 (f) Subchapter D, Chapter 316, Government Code, and Section  
28 403.095, Government Code, do not apply to fees collected under this  
29 subchapter [~~section~~].

30 SECTION \_\_\_\_\_. Subchapter I, Chapter 504, Transportation  
31 Code, is amended by adding Section 504.802 to read as follows:

1       Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF  
2 SPECIALTY LICENSE PLATES CREATED BEFORE SEPTEMBER 1, 2009. (a) A  
3 sponsor of a specialty license plate created under this subchapter  
4 before September 1, 2009, may contract with the private vendor  
5 authorized under Subchapter J for the marketing and sale of the  
6 specialty license plate.

7       (b) The fee for issuance of a specialty license plate  
8 described by Subsection (a) is the amount established under Section  
9 504.851(c).

10       (c) Notwithstanding any other law, from each fee received  
11 from the issuance of a specialty license plate marketed and sold by  
12 the private vendor under this section, the department shall:

13               (1) deduct the administrative costs described by  
14 Section 504.801(e)(1);

15               (2) deposit the portion of the fee for the sale of the  
16 plate that the state would ordinarily receive under the contract  
17 described by Section 504.851(a) to the credit of:

18                       (A) the specialty license plate fund, if the  
19 sponsor nominated a state agency to receive the funds; or

20                       (B) the general revenue fund, if the sponsor did  
21 not nominate a state agency to receive the funds or if there is no  
22 sponsor; and

23               (3) pay to the private vendor the remainder of the fee.

24       SECTION \_\_\_\_\_. Section 504.851, Transportation Code, is  
25 amended by amending Subsections (a), (b), and (j) and adding  
26 Subsections (a-1), (a-2), and (c-1) to read as follows:

27       (a) The department shall enter into a contract with the  
28 private vendor whose proposal is most advantageous to the state, as  
29 determined from competitive sealed proposals that satisfy the  
30 requirements of this section, for the marketing and sale of:

31               (1) personalized license plates [~~authorized~~ by

1 ~~Section 504.101~~]; or

2 (2) with the agreement of the private vendor, other  
3 specialty license plates authorized by Subchapters G and I [~~this~~  
4 ~~subchapter~~].

5 (a-1) The department may not issue specialty, personalized,  
6 or souvenir license plates with background colors other than white,  
7 unless the plates are marketed and sold by the private vendor.

8 (a-2) Specialty license plates authorized for marketing and  
9 sale under Subsection (a) must include:

10 (1) specialty license plates created under  
11 Subchapters G and I on or after September 1, 2009; and

12 (2) at the request of the specialty license plate  
13 sponsor, an existing specialty license plate created under  
14 Subchapters G and I before September 1, 2009.

15 (b) The [~~Instead of the fees established by Section~~  
16 ~~504.101(e), the~~] commission by rule shall establish fees for the  
17 issuance or renewal of personalized license plates that are  
18 marketed and sold by the private vendor. Fees must be reasonable  
19 and not less than the greater of:

20 (1) the amounts necessary to allow the department to  
21 recover all reasonable costs to the department associated with the  
22 evaluation of the competitive sealed proposals received by the  
23 department and with the implementation and enforcement of the  
24 contract, including direct, indirect, and administrative costs; or

25 (2) the amount established by Section 504.853(b)  
26 [~~504.101(e)~~].

27 (c-1) Subsections (b) and (c) do not apply to the sale at  
28 auction of a specialty license plate that is not used on a motor  
29 vehicle.

30 (j) From amounts received by the department under the  
31 contract described by Subsection (a), the department shall deposit

1 to the credit of the state highway fund an amount sufficient to  
2 enable the department to recover its administrative costs for all  
3 license plates issued under this section, [~~including~~] any payments  
4 to the vendor under the contract [~~Subsection (a)~~], and any other  
5 amounts allocated by law to the state highway fund [~~by another law~~].  
6 To the extent that the disposition of other amounts received by  
7 [~~from~~] the department is [~~vendor are~~] governed by another law,  
8 those amounts shall be deposited in accordance with the other law[~~7~~  
9 ~~and for each type of license plate the amount charged for the~~  
10 ~~license plate may not be less than the amount in effect on January~~  
11 ~~1, 2003~~]. Any additional amount received by [~~from~~] the department  
12 under the contract [~~vendor~~] shall be deposited to the credit of the  
13 general revenue fund.

14 SECTION \_\_\_\_\_. Subchapter J, Chapter 504, Transportation  
15 Code, is amended by adding Sections 504.853 and 504.854 to read as  
16 follows:

17 Sec. 504.853. PERSONALIZED LICENSE PLATES ISSUED BEFORE  
18 SEPTEMBER 1, 2009. (a) A personalized license plate issued before  
19 September 1, 2009, may be issued for a subsequent registration  
20 period only if the applicant submits an application and pays the  
21 required fee for the applicable registration period. A person who  
22 is issued a personalized license plate has first priority on that  
23 license plate for each subsequent registration period for which the  
24 person submits a new application for that plate.

25 (b) The fee for issuance of a personalized license plate  
26 issued before September 1, 2009, is \$40, unless the director adopts  
27 by rule a higher fee.

28 (c) A person who is issued a personalized license plate by  
29 the department before September 1, 2009, may:

30 (1) submit an application for the plate under  
31 Subsection (a) and pay the required fee for each subsequent

1 registration period under Subsection (b); or

2 (2) purchase through the private vendor a license to  
3 display the alphanumeric pattern on a license plate for any term  
4 allowed by law.

5 (d) The department may not issue a replacement set of  
6 personalized license plates to the same person before the sixth  
7 anniversary of the date of issuance unless the applicant for  
8 issuance of replacement plates pays an additional fee of \$30.

9 (e) Of each fee collected by the department under this  
10 section:

11 (1) \$1.25 shall be used to defray the cost of  
12 administering this section; and

13 (2) the remainder shall be deposited to the credit of  
14 the general revenue fund.

15 Sec. 504.854. AUCTION. (a) The private vendor may sell at  
16 auction a license to display a unique alphanumeric pattern on a  
17 license plate.

18 (b) Only a license to display an alphanumeric pattern  
19 purchased under this section or a license to display an  
20 alphanumeric pattern sold by the private vendor under Section  
21 504.853 may be transferred to another person. The transferee is  
22 entitled to the same rights and privileges as the transferor.

23 (c) The transferee shall file a form prescribed by the  
24 department to notify the department of the transfer. The  
25 department may set a fee to be paid by the transferee to the  
26 department for the transfer.

27 SECTION \_\_\_\_\_. The following provisions of the  
28 Transportation Code are repealed:

29 (1) Section 504.101; and

30 (2) Subsection (m), Section 504.851.

31 SECTION \_\_\_\_\_. The changes in law made by this Act do not



1 require the rebidding of a contract that is in effect on the  
2 effective date of this Act.



LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

May 27, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2854, As Passed 2nd House: a positive impact of \$106,388 through the biennium ending August 31, 2011, if the effective date of the bill is July 1, 2009; or a positive impact of \$98,204 through the biennium ending August 31, 2011, if the effective date of the bill is September 1, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**All Funds, Six-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from	Probable Revenue Gain from
	<i>State Highway Fund</i>	<i>General Revenue Fund</i>
	6	1
2009	(\$8,184)	\$8,184
2010	(\$49,102)	\$49,102
2011	(\$49,102)	\$49,102
2012	(\$49,102)	\$49,102
2013	(\$49,102)	\$49,102
2014	(\$49,102)	\$49,102

Fiscal Year	Probable Revenue (Loss) from	Probable Revenue Gain from
	<i>State Highway Fund</i>	<i>General Revenue Fund</i>
	6	1
2010	(\$49,102)	\$49,102
2011	(\$49,102)	\$49,102
2012	(\$49,102)	\$49,102
2013	(\$49,102)	\$49,102
2014	(\$49,102)	\$49,102

**Fiscal Analysis**

The bill would amend the Transportation Code to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds from the specialty plate fees. The bill would specify that the fees, after deduction of the Texas Department of Transportation's (TxDOT) administrative expenses, are to be deposited to the credit of an account in the state treasury to be used by the nominated state agency for making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.



The bill would specify that the fee for a souvenir license plate issued before September 1, 2009, is \$40; and the fee for a souvenir license plate issued after that date would be an amount established by the Texas Transportation Commission (TTC) under Section 504.851 (c), Transportation Code, which is an amount necessary to recover certain contract costs and other direct and indirect costs to the Texas Department of Transportation (TxDOT).

The bill would specify that the \$30 fee for specialty license plates for general distribution does not apply to a specialty license plate marketed and sold by a private vendor at the request of a sponsor under other provisions of the bill.

The bill would specify that the fee for certain specialty license plates created after September 1, 2009, would be an amount established by TTC under Section 504.851, Transportation Code.

The bill would authorize sponsors of certain specialty license plates created before September 1, 2009, to contract with the private vendor authorized by TxDOT for the marketing and sale of the specialty license plates. The fee for the plates would be the amount established by TTC under Section 501.851 (c), Transportation Code: fees remaining after the deduction of TxDOT administrative costs would be deposited to the credit of a specialty license plate fund, if the sponsor nominated a state agency to receive the funds; or otherwise to the General Revenue Fund.

The bill would set the fee for the issuance of a personalized license plate issued before September 1, 2009, at \$40, unless the director adopts a higher fee by rule.

The bill would repeal Section 504.101, Transportation Code, relating to the issuance of personalized license plates, which establishes a \$40 fee for the issuance personalized plates (\$30 for replacement plates) and dedicates \$1.25 of each fee for TxDOT administrative costs and requires the remainder of each fee to be deposited to the General Revenue Fund. The bill would also repeal Section 504.851 (m), which requires personalized and souvenir license plate fees collected in excess of amounts for TxDOT administrative costs and contract costs to be deposited to the General Revenue Fund.

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, 2009.

## **Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund.

Based on the information provided by TxDOT, it is assumed the provisions of the bill would result in the deposit of \$40,002 in fee revenue to the General Revenue Fund rather than the State Highway Fund from fees collected on four specialty license plates issued by the department for which no state agency has been designated as a recipient of the fees (less deductions for TxDOT administrative costs).

If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

Because the amount of certain fees charged on the sale of specialty license plates can be set by the director and is not known, and because the number of specialty license plates and other plates sold by TxDOT and by a new private vendor is not known, the fiscal impact of these provisions is indeterminate.

Based on the analysis of the TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill would be absorbed within the agency's existing resources.



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 with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993, and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, SZ, KJG, MW, TG





LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 27, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2854, As Passed 2nd House: a positive impact of \$106,388 through the biennium ending August 31, 2011, if the effective date of the bill is *MMM DD, 2009*; or a positive impact of \$98,204 through the biennium ending August 31, 2011, if the effective date of the bill is *MMM DD, 2009*.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**All Funds, Six-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from	Probable Revenue Gain from
	State Highway Fund 6	General Revenue Fund 1
2009	(\$8,184)	\$8,184
2010	(\$49,102)	\$49,102
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**Fiscal Analysis**

The bill would amend the Transportation Code to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds from the specialty plate fees. The bill would specify that the fees, after deduction of the Texas Department of Transportation's (TxDOT) administrative expenses, are to be deposited to the credit of an account in the state treasury to be used by the nominated state agency for making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.

The bill would specify that the fee for a souvenir license plate issued before September 1, 2009, is \$40; and the fee for a souvenir license plate issued after that date would be an amount established by

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the Texas Transportation Commission (TTC) under Section 504.851 (c), Transportation Code, which is an amount necessary to recover certain contract costs and other direct and indirect costs to the Texas Department of Transportation (TxDOT).

The bill would specify that the \$30 fee for specialty license plates for general distribution does not apply to a specialty license plate marketed and sold by a private vendor at the request of a sponsor under other provisions of the bill.

The bill would specify that the fee for certain specialty license plates created after September 1, 2009, would be an amount established by TTC under Section 504.851, Transportation Code.

The bill would authorize sponsors of certain specialty license plates created before September 1, 2009, to contract with the private vendor authorized by TxDOT for the marketing and sale of the specialty license plates. The fee for the plates would be the amount established by TTC under Section 501.851 (c), Transportation Code: fees remaining after the deduction of TxDOT administrative costs would be deposited to the credit of a specialty license plate fund, if the sponsor nominated a state agency to receive the funds; or otherwise to the General Revenue Fund.

The bill would set the fee for the issuance of a personalized license plate issued before September 1, 2009, at \$40, unless the director adopts a higher fee by rule.

The bill would repeal Section 504.101, Transportation Code, relating to the issuance of personalized license plates, which establishes a \$40 fee for the issuance personalized plates (\$30 for replacement plates) and dedicates \$1.25 of each fee for TxDOT administrative costs and requires the remainder of each fee to be deposited to the General Revenue Fund. The bill would also repeal Section 504.851 (m), which requires personalized and souvenir license plate fees collected in excess of amounts for TxDOT administrative costs and contract costs to be deposited to the General Revenue Fund.

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, 2009.

#### **Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund.

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If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

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Based on the analysis of the TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill would be absorbed within the agency's existing resources.

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 with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code



403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993, and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, SZ, KJG, MW, TG

~~3 of 3~~

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**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 22, 2009**

**TO:** Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **Committee Report 2nd House, As Amended**

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**All Funds, Six-Year Impact:**

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**Fiscal Analysis**

The bill would amend the Transportation Code to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds from the specialty plate fees. The bill would specify that the fees, after deduction of the Texas Department of Transportation's (TxDOT) administrative expenses, are to be deposited to the credit of an account in the state treasury to be used by the nominated state agency for making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.

The bill would specify that the fee for a souvenir license plate issued before September 1, 2009, is \$40; and the fee for a souvenir license plate issued after that date would be an amount established by





the Texas Transportation Commission (TTC) under Section 504.851 (c), Transportation Code, which is an amount necessary to recover certain contract costs and other direct and indirect costs to the Texas Department of Transportation (TxDOT).

The bill would specify that the \$30 fee for specialty license plates for general distribution does not apply to a specialty license plate marketed and sold by a private vendor at the request of a sponsor under other provisions of the bill.

The bill would specify that the fee for certain specialty license plates created after September 1, 2009, would be an amount established by TTC under Section 504.851, Transportation Code.

The bill would authorize sponsors of certain specialty license plates created before September 1, 2009, to contract with the private vendor authorized by TxDOT for the marketing and sale of the specialty license plates. The fee for the plates would be the amount established by TTC under Section 501.851 (c), Transportation Code: fees remaining after the deduction of TxDOT administrative costs would be deposited to the credit of a specialty license plate fund, if the sponsor nominated a state agency to receive the funds; or otherwise to the General Revenue Fund.

The bill would set the fee for the issuance of a personalized license plate issued before September 1, 2009, at \$40, unless the director adopts a higher fee by rule.

The bill would repeal Section 504.101, Transportation Code, relating to the issuance of personalized license plates, which establishes a \$40 fee for the issuance personalized plates (\$30 for replacement plates) and dedicates \$1.25 of each fee for TxDOT administrative costs and requires the remainder of each fee to be deposited to the General Revenue Fund. The bill would also repeal Section 504.851 (m), which requires personalized and souvenir license plate fees collected in excess of amounts for TxDOT administrative costs and contract costs to be deposited to the General Revenue Fund.

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, 2009.

## **Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund.

Based on the information provided by TxDOT, it is assumed the provisions of the bill would result in the deposit of \$40,002 in fee revenue to the General Revenue Fund rather than the State Highway Fund from fees collected on four specialty license plates issued by the department for which no state agency has been designated as a recipient of the fees (less deductions for TxDOT administrative costs).

If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

Because the amount of certain fees charged on the sale of specialty license plates can be set by the director and is not known, and because the number of specialty license plates and other plates sold by TxDOT and by a new private vendor is not known, the fiscal impact of these provisions is indeterminate.

Based on the analysis of the TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill would be absorbed within the agency's existing resources.

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 with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code



403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993, and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, KJG, MW, TG



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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 7, 2009**

**TO:** Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2854, As Engrossed: a positive impact of \$19,717 through the biennium ending August 31, 2011, if the effective date of the bill is July 1, 2009; or a positive impact of \$18,200 through the biennium ending August 31, 2011, if the effective date of the bill is September 1, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**All Funds, Six-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2009	(\$1,517)	\$1,517
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

**Fiscal Analysis**

The bill would amend the Transportation Code to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds from the specialty plate fees. The bill would specify that the fees, after deduction of the Texas Department of Transportation's (TxDOT) administrative expenses, are to be deposited to the credit of an account in the state treasury to be used by the nominated state agency for making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.

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, 2009.



**Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund. If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, KJG, MW, TG





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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 17, 2009**

**TO:** Honorable Joseph Pickett, Chair, House Committee on Transportation

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2854, Committee Report 1st House, Substituted: a positive impact of \$19,717 through the biennium ending August 31, 2011, if the effective date of the bill is July 1, 2009; or a positive impact of \$18,200 through the biennium ending August 31, 2011, if the effective date of the bill is September 1, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**All Funds, Six-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2009	(\$1,517)	\$1,517
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

**Fiscal Analysis**

The bill would amend the Transportation Code to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds from the specialty plate fees. The bill would specify that the fees, after deduction of the Texas Department of Transportation's (TxDOT) administrative expenses, are to be deposited to the credit of an account in the state treasury to be used by the nominated state agency for making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.

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, 2009.



**Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund. If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, KJG, MW, TG



**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 2, 2009**

**TO:** Honorable Joseph Pickett, Chair, House Committee on Transportation

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2854** by Hughes (Relating to license plates created by the Texas Department of Transportation for professional firefighters.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2854, As Introduced: a positive impact of \$19,717 through the biennium ending August 31, 2011, if the effective date of the bill is July 1, 2009; or a positive impact of \$18,200 through the biennium ending August 31, 2011, if the effective date of the bill is September 1, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**All Funds, Six-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2009	(\$1,517)	\$1,517
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

Fiscal Year	Probable Revenue (Loss) from <i>State Highway Fund</i> 6	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2010	(\$9,100)	\$9,100
2011	(\$9,100)	\$9,100
2012	(\$9,100)	\$9,100
2013	(\$9,100)	\$9,100
2014	(\$9,100)	\$9,100

**Fiscal Analysis**

The bill would require the Texas Department of Transportation (TxDOT) to allow the sponsor of a specialty license plate for professional firefighters to nominate a state agency for receipt of funds at any time after the license plate is created. The bill would require funds received by a state agency from these specialty license plates to be used in making grants to support activities of a professional firefighters organization that meets the requirements specified by the bill.

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, 2009.



**Methodology**

TxDOT indicates that fees from the Professional Firefighters specialty license plates are currently deposited to the State Highway Fund. Based on the information and analysis provided by TxDOT and the Comptroller's office, it is assumed the provisions of the bill would result in the transfer of \$9,100 from the State Highway Fund to the General Revenue Fund. If the bill receives the requisite vote to take immediate effect, it is assumed the transfer of the specialty plate revenues would begin on July 1, 2009 (fiscal year 2009). Otherwise, the transfer of fee revenues would begin in fiscal year 2010.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, KJG, MW, TG