

BILL ANALYSIS

Senate Research Center
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S.B. 1512
By: Hancock
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2202 (83rd Legislature, Regular Session, 2013) established a dedicated Texas Department of Motor Vehicles Fund separate from the General Revenue and State Highway Fund. The creation of this fund ended any "diversion" by separating the Texas Department of Motor Vehicles (TxDMV) from the State Highway Fund. H.B. 2202 ensured statutorily-dedicated fees were being used for the intended purposes and provided transparency in funding.

H.B. 6 (83rd Legislature, Regular Session, 2013), also known as the funds consolidation bill, did not exempt the Texas Department of Motor Vehicles Fund from its provisions, consequently "abolishing" the fund. Therefore, starting in fiscal year 2014, the revenue streams that would have gone into the TxDMV Fund have been deposited to the credit of the state's General Revenue Fund. S.B. 1512 re-creates the fund and rededicates the revenues per the provisions of H.B. 2022 passed last session.

S.B. 1512 ensures that the TxDMV Fund and its revenue dedications are included in the 84th Legislature's Funds Consolidation Bill by exempting it from the provisions of the funds consolidation into General Revenue.

As proposed, S.B. 1512 amends current law relating to the Texas Department of Motor Vehicles fund.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Provides that, on September 1, 2015, the Texas Department of Motor Vehicles (TxDMV) fund created by Section 1001.151 (Texas Department of Motor Vehicles Fund), Transportation Code, as enacted by Section 71, Chapter 1287 (H.B. 2202), Acts of the 83rd Legislature, Regular Session, 2013, is re-created by this Act as a special fund in the state treasury outside the general revenue fund, and all revenue dedicated for deposit to the credit of the TxDMV fund by a provision of Chapter 1287 (H.B. 2202), Acts of the 83rd Legislature, Regular Session, 2013, is rededicated by this Act for that purpose.

SECTION 2. (a) Requires the comptroller of public accounts of the State of Texas (comptroller), on September 1, 2015, to transfer to the credit of the TxDMV fund, as re-created by this Act, an amount from the state highway fund equal to the total amount of fees collected or received by TxDMV under Section 502.356 (Automated Registration and Titling System), Transportation Code, and former Section 502.1705, Transportation Code, during the period beginning November 1, 2009, and ending August 31, 2013.

(b) Provides that to the extent that money from the state highway fund transferred to the credit of the TxDMV fund as required by Subsection (a) of this section was, before September 1, 2013, used as collateral or as a source of payment for the repayment of a loan, bond, credit agreement, public security, or other obligation, that amount remains subject to use as collateral or as a source of payment for the obligation. Requires that,

however, an obligation described by this subsection be paid first from the state highway fund, and the TxDMV fund is subject to payment of the obligation only to the extent the state highway fund is depleted at the time the obligation matures and becomes due.

SECTION 3. Requires the comptroller, except as specified by Section 2 of this Act, of the revenue dedicated for deposit to the credit of the TxDMV fund by a provision of Chapter 1287 (H.B. 2202), Acts of the 83rd Legislature, Regular Session, 2013, to deposit to the credit of that fund only revenue received on or after the effective date of this Act.

SECTION 4. Effective date: September 1, 2015.