

BILL ANALYSIS

Senate Research Center
81R3530 ACP-D

S.B. 896
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Transportation & Homeland Security
3/27/2009
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2003, with a \$10 billion budget deficit, the 78th Legislature enacted H.B. 3588, which created the Driver Responsibility Program. It was designated as a funding tool in order to fund trauma care centers and raise money for transportation projects. Since the creation of the program, compliance rates have been low. According to the Legislative Budget Board (LBB), between 2003 and 2008, only 38.5 percent of offenders have complied with the program, indicating that the program has not been successful in its intended purpose. In the City of El Paso, up to five percent of the population faced surcharges. By comparison, surcharges in the City of Austin were incurred by up to four percent of its population. Coincidentally, the most prevalent violations leading to warrants in El Paso and Austin are also those which the Department of Public Safety reports to have the lowest compliance rates.

According to the LBB, the surcharges have also led to a greater number of unlicensed and uninsured drivers on Texas roads. This in turn, has made it more difficult for some people to maintain financial responsibility. The economic impact that surcharges are having on the Texas population also raises questions about the adequacy of using the program to fund Trauma Care and the General Revenue fund. Studies of other surcharge programs as well as our own indicate that they have a disproportionate impact on lower income populations and minorities. For example, when New Jersey evaluated its points system, they found that it was having a disproportionate effect on its lower-income population. In Texas the LBB found that many offenders are low-income or indigent Texans who cannot afford to pay the assessed surcharges.

As proposed, S.B. 896 amends the Transportation Code to repeal the Texas Driver Responsibility Act. The bill requires the comptroller of public accounts to deposit any gifts, grants, donations, and legislative appropriations made for that purpose to the credit of the designated trauma facility and emergency medical account.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Department of Public Safety is rescinded in SECTION 5 (Chapter 708, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 780.002, Health and Safety Code, as follows:

Sec. 780.002. DEPOSITS TO ACCOUNT. Requires the comptroller of public accounts (comptroller) to deposit any gifts, grants, donations, and legislative appropriations made for that purpose to the credit of the designated trauma facility and emergency medical services account established under Section 780.003 (Account). Deletes existing Subsections (a) (relating to the remittance of surcharges collected under the driver responsibility program operated by the Department of Public Safety (DPS) under Chapter 708 (Driver Responsibility Program), Transportation Code, to the comptroller), (b) (relating to the distribution of money received under Subsection (a)), and (c) (relating to the circumstances under which the comptroller is required to deposit 49.5 percent of the surcharge collected under Chapter 708, Transportation Code, to the credit of the general revenue fund.)

SECTION 2. Amends Section 502.1715(b), Transportation Code, to delete existing text requiring that, subject to appropriations, the money collected under this section be used by DPS

to establish and maintain a system to support the driver responsibility program under Chapter 708. Makes nonsubstantive changes.

SECTION 3. Amends Section 542.4031(h), Transportation Code, as follows:

(h) Requires the comptroller, in any state fiscal year, notwithstanding Subsection (g)(1) (relating to requiring the comptroller to deposit 67 percent of the credit of the undedicated portion of the general revenue fund), to deposit 67 percent of the money received under Subsection (e)(2) (relating to requiring the custodian to remit to the comptroller certain money) to the credit of the general revenue fund only until the total amount of the money deposited to the credit of the general revenue fund under Subsection (g)(1), rather than under Subsection (g)(1) and Section 780.002(b), Health and Safety Code, equals \$250 million for that year. Requires the comptroller, if in any state fiscal year the amount received by the comptroller under Subsection (g)(1), rather than under those laws, for deposit to the credit of the general revenue fund exceeds \$250 million, to deposit the additional amount to the credit of the Texas mobility fund.

SECTION 4. Amends Section 601.233(a), Transportation Code, by deleting an exception relating to the type of statement required by Section 708.105 (Notice of Potential Surcharge).

SECTION 5. Repealer: Chapter 708, Transportation Code.

SECTION 6. Provides that notwithstanding the repeal by this Act of Chapter 708, Transportation Code, a surcharge imposed under former Chapter 708 of that code before the effective date of this Act is governed by the applicable law in effect before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 7. Effective date: upon passage or September 1, 2009.