

## **BILL ANALYSIS**

Senate Research Center  
85R7037 JXC-F

S.B. 2075  
By: Rodríguez  
Transportation  
4/13/2017  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Department of Motor Vehicles (TxDMV) board is charged with considering opportunities for improvements to operations with recommended changes to statute to the Texas Legislature under Section 1001.025, Transportation Code. The TxDMV board adopted several recommendations for the 85th Legislature that were also recommended by the board to the 84th Legislature. S.B. 2075 contains recommendations regarding vehicle registration.

- TxDMV has the ability to register multiple vehicles for one entity through a fleet program, but participation in the program has been limited. To make the program, which is much more efficient for both TxDMV and the customer, more appealing, the "fleet fee" is changed from an annual \$10 per vehicle fee to a one-time \$10 per vehicle set-up fee upon initial registration in the fleet program; this was contained in last session's legislation. The amended "fleet fee" and the fleet-related license plate fees, which are administrative fees separate and apart from registration fees that are deposited to the credit of the state highway fund, would be deposited to the TxDMV fund to cover the costs of administering this program.
- The legislation streamlines the process for when a closed or potentially closed county tax assessor collector office's transactions can be performed by a different county to allow for continuity of services for customers. A conforming change for this item is also in the Title Act grouping.
- The legislation allows for printed receipts from online vehicle registration renewal transactions to serve as proof of registration for 30 days (to allow the actual sticker time to be received through the mail). It is anticipated that this change will help reduce lines at the end and beginning of every month at tax assessor-collector and deputy offices as customers will also be allowed to use their receipt as proof of registration before their sticker expires at the end of the month.
- There is a recommendation, also made last session, to remove the ability for an owner of multiple vehicles to align vehicle registration renewal dates.
- S.B. 2075 also includes changes resulting from an internal audit recommendation associated with when counties remit registration fees to the state. Language is recommended to align the statute to correspond with when fees are processed by the system currently and adjust the time frames accordingly.

As proposed, S.B. 2075 amends current law relating to vehicle registration.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Department of Motor Vehicles is modified in SECTION 7 (Section 502.091, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 91.905, Natural Resources Code, to delete Section 502.1981(c)(4) (relating to authorizing a county road and bridge fund to only be used for the relocation of

utilities for road or highway purposes), Transportation Code, from the list of sections that apply to saltwater pipeline operators and saltwater pipeline facilities in the same manner as they apply to utilities and utility facilities and makes nonsubstantive changes.

SECTION 2. Amends Section 502.001(2), Transportation Code, to redefine "apportioned license plate."

SECTION 3. Amends Section 502.0023, Transportation Code, by amending Subsections (c) and (e) and adding Subsection (c-1), as follows:

(c) Requires an owner registering a commercial fleet under this section, in addition to registration fees prescribed by this chapter (Registration of Vehicles), to pay a one-time fee, rather than an annual commercial fleet registration fee, of \$10 per motor vehicle, semitrailer, or trailer in the fleet.

(c-1) Requires a fee collected under Subsection (c) to be deposited to the credit of the Texas Department of Motor Vehicles (TxDMV) fund.

(e) Requires a license plate manufacturing fee collected under this section to be deposited to the credit of the TxDMV fund.

SECTION 4. Amends Section 502.040(b), Transportation Code, to require the application to be accompanied by personal identification as determined by TxDMV rule and made in a certain manner prescribed by TxDMV:

(1) makes a nonsubstantive change; or

(2) if the office of that assessor-collector is closed, or may be closed for a protracted period of time, as defined by TXDMV rule, through a county assessor-collector who is willing to accept the application, rather than if a county in which the owner resides has been declared by the governor as a disaster area, through the county assessor-collector of a county that is one of the closest unaffected counties to a county that asks for assistance and meets certain other criteria.

Deletes existing Subdivision (3), relating to certain procedures if the county assessor-collector's office in which the owner resides is closed for a protracted period of time.

SECTION 5. Amends Section 502.057, Transportation Code, as follows:

Sec. 502.057. REGISTRATION RECEIPT. (a) Creates this subsection from existing text. Makes no further changes to this subsection.

(b) Provides that a receipt for the renewed registration of a vehicle generated by an online registration system approved by TxDMV is proof of the vehicle's registration until the 31st day after the date of renewal on the receipt.

SECTION 6. Amends Section 502.060(b), Transportation Code, as follows:

(b) Provides that no fee is required under this section if:

(1) the replacement fee for a license plate has been paid under Section 504.007. Creates this subdivision from existing text; or

(2) the county assessor-collector determines that the owner paid for a prior replacement registration insignia for the same registration period that was mailed to the owner but not received by the owner.

SECTION 7. Amends Section 502.091(b), Transportation Code, as follows:

(b) Authorizes TxDMV to adopt and enforce rules to carry out the International Registration Plan or other agreement under this section. Authorizes the rules to require an applicant to register under the unified carrier registration system as defined by Section 643.001 (Definitions) before the applicant applies for registration under the International Registration Plan.

SECTION 8. Amends Sections 502.146(a) and (h), Transportation Code, as follows:

(a) Requires TxDMV to issue distinguishing, rather than specialty, license plates to a certain vehicle.

(h) Prohibits a distinguishing, rather than specialty, license plate from being issued or renewed under Subsection (a) to an owner of a vehicle described by Subsection (b)(1) (relating to an owner no being required to register a vehicle that is used only temporarily on the highways if the vehicle is a certain farm trailer or farm semitrailer) unless the vehicle's owner provides a registration number issued by the Texas comptroller of public accounts (comptroller) under Section 151.1551 (Registration Number Required for Timber and Certain Agricultural Items), Tax Code, or the vehicle is owned by a farmers' cooperative society incorporated under Chapter 51 (Farmers' Cooperative Societies), Agriculture Code, or a marketing association organized under Chapter 52 (Cooperative Marketing Associations), Agriculture Code.

SECTION 9. Amends Section 502.198, Transportation Code, as follows:

Sec. 502.198. DISPOSITION OF FEES GENERALLY. (a) Provides that, except as provided by Sections 502.058 (Duplicate Registration Receipt), 502.060 (Replacement of Registration Insignia), 502.1911 (Registration Processing and Handling Fee), 502.192 (Transfer Fee), 502.356 (Automated Registration and Titling System), and 502.357 (Financial Responsibility Programs) and Subchapter H (Optional Fees), this section applies to all fees collected by a county assessor-collector under this chapter.

(b) Changes a reference to Monday to Tuesday and deletes existing Subdivision (3) (relating to a certain additional amount of fees). Makes nonsubstantive changes.

(c) and (d) Makes conforming changes.

SECTION 10. Amends Section 502.1983(a), Transportation Code, to authorize a county assessor-collector, rather than authorize a county assessor-collector, except as provided by Section 502.357, to take certain actions subject to Section 502.198 and makes a conforming change.

SECTION 11. Amends Section 502.433(a-1), Transportation Code, to prohibit a commercial motor vehicle registration from being issued or renewed, rather than prohibits a commercial motor vehicle from being registered, under this section unless the vehicle's owner provides a registration number issued by the comptroller under Section 151.1551, Tax Code.

SECTION 12. Amends Section 504.007, Transportation Code, by adding Subsection (g), to provide that no fee is required under this section if the county assessor-collector determines that the owner paid for prior replacement license plates for the same vehicle that were mailed to the owner but not received by the owner.

SECTION 13. Amends Section 504.202(b), Transportation Code, as follows:

(b) Provides that a veteran of the United States armed forces is entitled to register, for the person's own use, motor vehicles under this section if:

(1) and (2) makes no changes to these subdivisions; and

(3) the motor vehicle:

(A) makes no changes to this paragraph; and

(B) has a gross vehicle weight of 18,000 pounds or less or is a motor home.

SECTION 14. Amends Section 520.006(a-1), Transportation Code, to authorize a county assessor-collector collecting fees on behalf of a county assessor-collector, rather than a county that has been declared as a disaster area or that, whose office is closed or may be closed for a protracted period of time as defined by the TxDMV for certain purposes to retain the commission for fees collected, but is required to allocate the fees to the county that is closed or may be closed for a protracted period of time, rather than the county declared as a disaster area or that is closed for a protracted period of time.

SECTION 15. Amends Section 623.144, Transportation Code, by changing a reference to specialty license plates to distinguishing license plates.

SECTION 16. Repealers: Sections 502.1585 (Designation of Registration Period by Owner) and 502.1981 (Calculation of Additional Fee Amounts Retained by a County), Transportation Code.

SECTION 17. Effective date: September 1, 2017.