

SUBJECT: Flagging vehicle registration records for unpaid fees, fines, or taxes

COMMITTEE: Transportation — committee substitute recommended

VOTE: 7 ayes — Krusee, Phillips, Hamric, Callegari, Casteel, Deshotel, Hill
0 nays
2 absent — Flores, West

WITNESSES: For — Amanda Jones, Harris County; W. Clyde Lemon, Charles Bacarisse -- Harris County District Clerk; Tracy T. Smith, Harris County Toll Road Authority

Against — None

BACKGROUND: Transportation Code, ch. 502.182 allows county assessor-collectors or the Texas Department of Transportation (TxDOT) to refuse to register a motor vehicle upon receiving information that the owner owes the county a past due fine, fee, or tax.

Transportation Code, ch. 284, subch. D, which applies to Harris County and adjoining counties, provides tools for counties and/or county toll road authorities to use in enforcing tolls. After a toll violation, notice from the county, and failure to pay a charge within a specified time, a county may prohibit the operation of a particular vehicle on a certain toll road. After more than one violation of such an order and an administrative hearing, one of three enforcement tools can be used — placing a boot on an offending vehicle, fining the vehicle owner, or preventing the vehicle in question from being eligible for vehicle registration

DIGEST: CSHB 2955 would allow a county assessor collector or TxDOT to refuse to register a vehicle if the owner owed a fine, fee, or tax to any county in Texas. The bill would not retroactively apply to applications for vehicle registration submitted before the bill's effective date.

The bill would take effect on September 1, 2005.

**SUPPORTERS
SAY:**

CSHB 2955 would create a much needed enforcement mechanism for the collection of revenue from toll violators. Approximately 40 percent of the 3,600 vehicle registration records that Harris County Toll Road Authority requests to be flagged by TxDOT on an annual basis belong to individuals who reside outside of Harris County. CSHB 2955 would allow counties to recoup millions of dollars in outstanding fines and fees due from people who previously could not have been compelled to pay.

The Harris County Toll Road Authority, for example, has reported difficulty collecting fees from owners of vehicles that pass through tolls without paying. Each year, Texas counties that operate toll roads issue many toll violations that can add up to millions of dollars in uncollected revenue. In 2004, the Harris County Toll Road Authority issued about \$14 million in toll violations and was able to collect only about half this amount. The revenue from toll violations could help finance the maintenance and construction of toll roads necessary to alleviate traffic congestion in many parts of the state.

Not only would CSHB 2955 benefit county toll road authorities, it would benefit other county offices to which fees, fines, and taxes are due. Many counties are being forced to operate on tight budgets, in part due to large amounts of missing revenue from unpaid fees, fines, and taxes. Harris County, for example, estimates that it is owed \$400 million. Allowing counties to flag vehicle registration records for individuals that owe money in fees, fines, or taxes to any county in the state would help counties collect more of the missing revenue that belongs to them.

**OPPONENTS
SAY:**

By presuming that the owner of the vehicle was the operator, toll violations often unfairly target the individual to whom the offending vehicle is licensed. The law should recognize the driver of the offending vehicle as the one at fault for failing to pay the toll. The vehicle owner may not even have been aware of the toll violation.

NOTES:

The substitute removed a provision in the original bill that would have allowed counties to use a combination of enforcement tools in the collection of unpaid tolls.

HB 958 by Goolsby is a related bill that would allow counties to use a combination of three enforcement tools to enforce toll violations. HB 958 was withdrawn from the General State Calendar on April 28.