

BILL ANALYSIS

Senate Research Center
80R12158 RMB-D

H.B. 2627
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Transportation & Homeland Security
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, nonprofit organizations and certain professional sports organizations are required to deposit \$15,000 with the Texas Department of Transportation (TxDOT) or pre-sell 3,500 sets of license plates before TxDOT will issue the specialty plates. Public and private universities have a requirement of depositing \$15,000 or pre-selling 1,500 sets of license plates for the same purpose. This fee was calculated to ensure that TxDOT was reimbursed for production costs associated with creating a specialty license plate. However, many organizations are unable to pre-sell the requisite number of plates or make the \$15,000 deposit. Additionally, TxDOT has been able to significantly reduce the actual cost of production since the inception of the fee.

H.B. 2627 decreases the fee for the production of specialty license plates from \$15,000 to \$8,000. This bill decreases the number of plates to be pre-sold from 3,500 to 1,900 for nonprofit organizations and certain professional sports organizations, and from 1,500 to 800 for public and private universities. This bill requires TxDOT to return money deposited with a request to manufacture license plates if 1,900 sets of the applicable license plates are issued or pre-sold.

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. Amends Section 504.701(d), Transportation Code, as follows:

(d) Authorizes the Texas Department of Transportation (TxDOT), on or after September 1, 2004, to continue to issue license plates under Section 504.615 (Collegiate License Plates) for a particular institution of higher education or private college or university only if, before that date, 800, rather than 1,500, sets of license plates for the particular institution, college or university have been issued or pre-sold and \$8,000, rather than \$15,000, has been received by TxDOT from the issuance of the license plates or has been deposited with TxDOT for the continued issuance of the license plates. Authorizes TxDOT to continue to issue license plates under Section 504.614 (Professional Sports Team License Plates) for a particular sports team if 1,900, rather than 3,500, sets of license plates for that team have been issued or pre-sold. Makes conforming changes.

SECTION 2. Amends Sections 504.702(b) and (c), Transportation Code, as follows:

(b) Makes conforming changes.

(c) Requires the deposit of \$8,000 under Subsection (b)(3)(A) to be returned to the person who made the deposit if 1,900 sets of the applicable license plates are issued or pre-sold. Makes a conforming change.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2007.