

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 3433
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Transportation & Homeland Security
5/18/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of the proposed legislation is to implement an optional "extended" license plate registration process in the State of Texas that would allow companies with fleets of 25 or more vehicles to register those vehicles for a period of one to eight years.

The Texas Department of Transportation (TxDOT) and businesses expend significant resources on each registration annually. An extended registration process would reduce costs by enabling the paperwork to be processed once for the prescribed time rather than once each year. Safety and vehicle emission inspections would continue to be required as in current state law.

An annual fleet registration fee of \$10 per vehicle and a one-time plate manufacturing fee of \$1.50 would be paid in advance for the entire extended period, in addition to the current registration fees. For a business wishing to include a business logo on the plate, an additional \$8 fee per set of license plates will be charged. All fees must be paid in advance for the entire length of the chosen registration period.

C.S.H.B. 3433 amends current law relating to the extended registration of a commercial fleet of motor vehicles.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Transportation in SECTION 2 (Section 502.0023, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 502.001, Transportation Code, by adding Subdivision (1-a) to define "commercial fleet."

SECTION 2. Amends Subchapter A, Chapter 502, Transportation Code, by adding Section 502.0023, as follows:

Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET MOTOR VEHICLES. (a) Requires the Texas Department of Transportation (TxDOT), notwithstanding Section 502.158(c) (relating to a registration period and the registration fee), to develop and implement a system of registration to allow an owner of a commercial fleet to register the motor vehicles in the commercial fleet for an extended registration period of not less than one year or more than eight years. Authorizes the owner to select the number of years for registration under this section within that range and register the commercial fleet for that period. Provides that payment for all registration fees for the entire registration period selected is due at the time of registration.

(b) Requires that a system of extended registration under this section allow the owner of a commercial fleet to register an entire commercial fleet in the county of the owner's residence or principal place of business or the motor vehicles in a commercial fleet that are operated most regularly in the same county.

(c) Requires an owner registering a commercial fleet under this section, in addition to the registration fees prescribed by Subchapter D (Registration Procedures and Fees), to pay:

(1) an annual commercial fleet registration fee of \$10 per motor vehicle in the fleet; and

(2) except as provided by Subsection (e), a one-time license plate manufacturing fee of \$1.50 for each fleet motor vehicle license plate.

(d) Authorizes a license plate issued under this section, on request of the owner, to include the name or logo of the business entity that owns the vehicle; requires that the license plate issued under this section include the expiration date of the registration period; and provides that a license plate issued under this section does not require an annual registration insignia to be valid.

(e) Requires an owner registering a commercial fleet under this section, in addition to all other applicable registration fees, to pay a one-time license plate manufacturing fee of \$8 for each set of plates issued that includes on the legend the name or logo of the business entity that owns the vehicle instead of the fee imposed by Subsection (c)(2).

(f) Requires TxDOT, if a motor vehicle registered under this section has a gross weight in excess of 10,000 pounds, to also issue a registration card for the vehicle that is valid for the selected registration period.

(g) Requires TxDOT to adopt rules to implement this section, including rules on suspension from the commercial fleet program for failure to comply with this section or rules adopted under this section.

(h) Requires TxDOT and the counties in their budgeting processes to consider any temporary increases and resulting decreases in revenue that will result from the use of the process provided under this section.

SECTION 3. Amends Section 501.0234(b), Transportation Code, to provide that this section does not apply to a motor vehicle purchased by a commercial fleet buyer who is a full-service deputy under Section 502.114 (Full-Service Deputies) and who utilizes the dealer title application process developed to provide a method to submit title transactions to the county in which the commercial fleet buyer is a full-service deputy.

SECTION 4. Repealer: Section 502.0022 (Consolidated Registration of Fleet Vehicles), Transportation Code.

SECTION 5. Requires TxDOT to adopt the rules and establish the system required under Section 502.0023, Transportation Code, as added by this Act, not later than January 1, 2010.

SECTION 6. Effective date: September 1, 2009.