

BILL ANALYSIS

C.S.H.B. 3292
By: Krusee
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the Texas Department of Transportation (TxDOT) shall establish and issue personalized prestige license plates and certain specialized plates that are available personalized. Also, TxDOT shall establish procedures for continuous application for, and issuance of, personalized prestige license plates and certain specialized plates that are available personalized.

This bill would allow for the contracting out by the Texas Department of Transportation of the marketing and sales of personalized prestige plates and certain specialized plates that are available personalized. The bill would permit the Texas Department of Transportation to recover administrative costs (currently, the Texas Department of Transportation may not receive enough monies to recoup administrative costs) for the issuance of personalized prestige license plates and certain specialized plates that are available personalized. The bill may improve sales of personalized prestige license plates and certain specialized plates, thereby increasing the amount of monies directed to general revenue. The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

The Legislative Budget Board estimated a two-year net positive impact to General Revenue Related Funds of \$2.4 million through the biennium ending August 31, 2005.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 1 (Subchapter F, Chapter 502, Section 502.2515, Transportation Code) of this bill.

ANALYSIS

C.S.H.B. 3292 would amend section (j) of 502.2515, Transportation Code, from filed version to redirect funds as follows:

The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

This new language allows for monies previously allocated by law/statute to be deposited accordingly,

BILL ANALYSIS

C.S.H.B. 3292
By: Krusee
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the Texas Department of Transportation (TxDOT) shall establish and issue personalized prestige license plates and certain specialized plates that are available personalized. Also, TxDOT shall establish procedures for continuous application for, and issuance of, personalized prestige license plates and certain specialized plates that are available personalized.

This bill would allow for the contracting out by the Texas Department of Transportation of the marketing and sales of personalized prestige plates and certain specialized plates that are available personalized. The bill would permit the Texas Department of Transportation to recover administrative costs (currently, the Texas Department of Transportation may not receive enough monies to recoup administrative costs) for the issuance of personalized prestige license plates and certain specialized plates that are available personalized. The bill may improve sales of personalized prestige license plates and certain specialized plates, thereby increasing the amount of monies directed to general revenue. The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

The Legislative Budget Board estimated a two-year net positive impact to General Revenue Related Funds of \$2.4 million through the biennium ending August 31, 2005.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 1 (Subchapter F, Chapter 502, Section 502.2515, Transportation Code) of this bill.

ANALYSIS

C.S.H.B. 3292 would amend section (j) of 502.2515, Transportation Code, from filed version to redirect funds as follows:

The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

This new language allows for monies previously allocated by law/statute to be deposited accordingly,

BILL ANALYSIS

C.S.H.B. 3292
By: Krusee
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the Texas Department of Transportation (TxDOT) shall establish and issue personalized prestige license plates and certain specialized plates that are available personalized. Also, TxDOT shall establish procedures for continuous application for, and issuance of, personalized prestige license plates and certain specialized plates that are available personalized.

This bill would allow for the contracting out by the Texas Department of Transportation of the marketing and sales of personalized prestige plates and certain specialized plates that are available personalized. The bill would permit the Texas Department of Transportation to recover administrative costs (currently, the Texas Department of Transportation may not receive enough monies to recoup administrative costs) for the issuance of personalized prestige license plates and certain specialized plates that are available personalized. The bill may improve sales of personalized prestige license plates and certain specialized plates, thereby increasing the amount of monies directed to general revenue. The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

The Legislative Budget Board estimated a two-year net positive impact to General Revenue Related Funds of \$2.4 million through the biennium ending August 31, 2005.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 1 (Subchapter F, Chapter 502, Section 502.2515, Transportation Code) of this bill.

ANALYSIS

C.S.H.B. 3292 would amend section (j) of 502.2515, Transportation Code, from filed version to redirect funds as follows:

The department shall deposit to the credit of the state highway fund an amount sufficient for it to recover its administrative costs for all license plates issued under this section, including the cost of and any payments to the vendor under subsection (a), and any other amounts allocated to the state highway fund by other law. To the extent that other amounts collected from the vendor are governed by other law, those amounts shall be deposited in accordance with that other law, and for each plate, those amounts shall be no less than those amounts in effect on January 1, 2003. Any additional amounts received from the vendor shall be deposited in the general revenue fund.

This new language allows for monies previously allocated by law/statute to be deposited accordingly,

TXDOT to recover administrative costs and additional monies to be deposited into the general revenue fund. The committee substitute allows for this bill to be a viable revenue generating mechanism.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

In the filed version, all of the monies received from the contractor by TXDOT was mistakenly deposited to the credit of the general revenue fund.

In the committee substitute to the filed version of H.B. 3292, the department shall deposit to the credit of the state highway fund an amount sufficient to enable the department to recover its administrative costs for all license plates issued under this section, including any payments to the vendor under Subsection (a), and any other amounts allocated to the state highway fund by another law. To the extent that disposition of other amounts received from the vendor are governed by another law, those amounts shall be deposited in accordance with the other law, and for each type of license plate, the amount charged for the license plate may not be less than the amount in effect on January, 1, 2003. Any additional amount received from the vendor shall be deposited to the credit of the general revenue fund.

This substitute incorporates the language to specify the direction of revenue as requested by the Texas Department of Transportation and the Office of the State Comptroller to ensure a positive fiscal note.

TXDOT to recover administrative costs and additional monies to be deposited into the general revenue fund. The committee substitute allows for this bill to be a viable revenue generating mechanism.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

In the filed version, all of the monies received from the contractor by TXDOT was mistakenly deposited to the credit of the general revenue fund.

In the committee substitute to the filed version of H.B. 3292, the department shall deposit to the credit of the state highway fund an amount sufficient to enable the department to recover its administrative costs for all license plates issued under this section, including any payments to the vendor under Subsection (a), and any other amounts allocated to the state highway fund by another law. To the extent that disposition of other amounts received from the vendor are governed by another law, those amounts shall be deposited in accordance with the other law, and for each type of license plate, the amount charged for the license plate may not be less than the amount in effect on January, 1, 2003. Any additional amount received from the vendor shall be deposited to the credit of the general revenue fund.

This substitute incorporates the language to specify the direction of revenue as requested by the Texas Department of Transportation and the Office of the State Comptroller to ensure a positive fiscal note.

TXDOT to recover administrative costs and additional monies to be deposited into the general revenue fund. The committee substitute allows for this bill to be a viable revenue generating mechanism.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

In the filed version, all of the monies received from the contractor by TXDOT was mistakenly deposited to the credit of the general revenue fund.

In the committee substitute to the filed version of H.B. 3292, the department shall deposit to the credit of the state highway fund an amount sufficient to enable the department to recover its administrative costs for all license plates issued under this section, including any payments to the vendor under Subsection (a), and any other amounts allocated to the state highway fund by another law. To the extent that disposition of other amounts received from the vendor are governed by another law, those amounts shall be deposited in accordance with the other law, and for each type of license plate, the amount charged for the license plate may not be less than the amount in effect on January, 1, 2003. Any additional amount received from the vendor shall be deposited to the credit of the general revenue fund.

This substitute incorporates the language to specify the direction of revenue as requested by the Texas Department of Transportation and the Office of the State Comptroller to ensure a positive fiscal note.