BILL ANALYSIS

C.S.H.B. 3116 By: Pickett Transportation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Texas residents who own a motor vehicle are required by law to renew their vehicle registration annually. Currently, the annual license fee for a passenger car, city bus, or private bus shall be based on the manufacturer's model year or weight in pounds. For example: 2001 and older models - \$40.80; 2002, 2003 and 2004 models - \$50.80; 2005 and newer models - \$58.80; 2001 and older models - \$25.00 plus 60 cents CWT plus 30 cents (irrespective of model year). The weight of any passenger car for purposes of registration shall be the weight generally accepted as its correct shipping weight plus one hundred pounds. "Passenger Car" as defined by law means any motor vehicle other than a motorcycle, or a bus transporting persons for compensation or hire, designed or used primarily for the transportation of persons.

CSHB 3116 would amend the Transportation Code to simplify the vehicle registration system, reducing the chances for error and confusion.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

CSHB 3116 amends the Transportation Code by redefining "Light truck" as a motor vehicle, other than a passenger car, motorcycle, golf cart, or bus that has a manufacturer's rated carrying capacity of one ton or less. The substitute requires fee for a registration year for registration of a passenger car, a municipal bus, or a private bus that weighs 6,000 pounds or less is \$50.50. CSHB 3116 requires the fee for a registration year for registration of a light truck is \$60.50. CSHB 3116 amends Section 502.162 by including noncommercial motor vehicle rated more than one ton. The substitute states the fee for a registration year for registration of a noncommercial motor vehicle with a manufacturer's rated carrying capacity of more than one ton, commercial motor vehicle, or truck-tractor is \$25 plus an amount determined according to the vehicle's gross weight. The substitute deletes tire equipment from Section 502.162(a). CSHB 3116 amends the gift tax to increase from \$10 to \$50 under Section 152.025(b) of the Tax Code.

EFFECTIVE DATE

July 1, 2007, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSHB 3116 modifies the original version by defining "Light truck". The substitute modifies the original bill by requiring fee for a registration year for registration of a light truck is \$60.50. The substitute modifies the original bill by including noncommercial motor vehicles rated more than one ton that are required to have a fee \$25 plus an amount determined according to the vehicle's gross weight. The substitute modifies the original by deleting tire equipment from Section 502.162(a). The substitute modifies the original by amending the gift tax to increase from \$10 to \$50 under Section 152.025(b) of the Tax Code