BILL ANALYSIS

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law authorizes counties to withhold motor vehicle registration due to outstanding fines, fees, or delinquent taxes. However, this system is inefficient because the Texas Department of Transportation's (TxDOT) system cannot hold remarks from more than one city or county, meaning that notation of a subsequent outstanding debts will delete a previously noted debt in the system.   Changes in statutory law relating to this system may improve its efficiency and encourage more counties to participate in the system.

C.S.S.B. 1897 requires TxDOT refuse to register a motor vehicle if TxDOT receives proper notice from a county assessor-collector that the owner of the vehicle owes the county money for a fine, fee, or tax that is past due, and provides certain procedures for the payment of such a debt. This bill sets an effective date of September 1, 2010, to prevent unnecessary reprogramming of TxDOT's system and to eliminate fiscal impact on TxDOT.

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 Sections 502.185, Transportation Code, as follows,

> Sec. 502.185. New heading: REFUSAL TO REGISTER CERTAIN VEHICLES. (a) Authorizes a county, rather than the county assessor-collector, to enter into a contract with the Texas Department of Transportation (TxDOT) to require, rather than authorize, TxDOT to refuse to register a motor vehicle (contract) if the assessor-collector for that county notifies TxDOT, rather than if either party receives information, that the vehicle's owner owes the county money for a fine, fee, or tax that is past due (outstanding debt).

> (b) Requires TxDOT to refuse to register a motor vehicle if TxDOT receives notice from the assessor-collector of a county under contract with TxDOT that the vehicle's owner owes the county money for an outstanding debt. Sets forth certain information required to be included on a notice received by TxDOT to be considered valid. Deletes existing text authorizing a county to contract with TxDOT to provide information to TxDOT necessary to make a determination under Subsection (a).

> (c) Requires TxDOT, on receipt of the county assessor-collector's notice, to notify the vehicle's owner in writing of TxDOT's refusal under this section to register the vehicle. Requires TxDOT to include a copy of the county assessor-collector's notice or a statement that includes certain information listed in Subsection (b) along with TxDOT's notice. Requires TxDOT's notice to state TxDOT's continued refusal to register the vehicle until the owner pays or otherwise discharges the outstanding debt to the county.

> (d) Requires a county assessor-collector who has sent notice to TxDOT to notify TxDOT as soon as possible if the person pays or otherwise discharges the outstanding debt or perfects an appeal of the case contesting payment of said debt not later than the third day after the date of such an action. Deletes existing text

requiring a county under contract with TxDOT to notify TxDOT regarding a person for whom the county assessor-collector or TxDOT has refused to register a motor vehicle on the person's payment or other means of discharge of the outstanding debt or perfection of an appeal of the case contesting payment of the outstanding debt.

(e) Redesignated from existing Subsection (d). Prohibits TxDOT, rather than TxDOT or the county assessor-collector, from refusing to register the vehicle under Subsection (b) after notice is received under Subsection (d).

(f) Redesignated from existing Subsection (e). Authorizes TxDOT to enter into a contract with a private vendor to implement this section. Deletes existing text requiring a contract under Subsection (b) to be entered in accordance with certain rules and subject to the ability of the parties affected to pay the debt.

(g)   Redesignated from existing Subsection (f). Authorizes a county under contract with TxDOT to impose an additional fee on a person paying an outstanding debt after the date the county assessor-collector sends notice to TxDOT under Subsection (b), rather than after the point when the outstanding debt is past due. Requires the amount of the additional fee to be reasonable. Requires each additional fee collected by a county to be sent to TxDOT for deposit to the credit of the state highway fund and used only, rather than authorized to be used only, to reimburse TxDOT for the expense of providing services under the contract.

(h) Redesignated from existing Subsection (g).

(i) Redesignated from existing Subsection (h).

SECTION 2. Provides that an existing contract between a county and TxDOT under Section 502.185, as that section existed immediately before the effective date of this Act, automatically terminates on that date.

SECTION 2. Effective date: September 1, 2010.