BILL ANALYSIS

Senate Research Center

H.B. 3433
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Transportation & Homeland Security
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Engrossed

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.

H.B. 3433 relates to the extended registration of a 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) and SECTION 4 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 502.001, Transportation Code, by adding Subdivision (6-a) to define "fleet."

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

> Sec. 502.0023. EXTENDED REGISTRATION OF 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 fleet to register the motor vehicles in the 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 fleet for that period. Provides that payment 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 fleet to register an entire fleet in the county of the owner's residence or principal place of business or the motor vehicles in a fleet that are operated most regularly in the same county.

> (c) Requires an owner registering a fleet under this section, in addition to the registration fees prescribed by Subchapter D (Registration Procedures and Fees), to pay an annual fleet registration fee of $10 per motor vehicle.

(d) Authorizes a license plate issued under this section to include the name or logo of the business entity that owns the vehicle.

(d-1) 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.

(e) Requires TxDOT to issue a registration insignia for validation of a license plate issued under this section that is valid for the period of registration under this section.

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

SECTION 3. Repealer: Section 502.0022(c) (relating to the definition of "fleet"), Transportation Code.

SECTION 4. Requires TxDOT to adopt the rules and establish the system required under Section 501.0023, Transportation Code, as added by this Act, not later than January 1, 2010.

SECTION 5. Effective date: September 1, 2009.