BILL ANALYSIS

H.B. 3256 By: Kacal Transportation Committee Report (Unamended)

BACKGROUND AND PURPOSE

Recent legislation created the agriculture and timber producers registration number for certain tax exemption purposes. However, such a producer is currently not required to present this registration number when applying for items such as specialty agriculture license plates, vehicle registration, or short-term permits to carry excess weight. Interested parties have reported that, without requiring presentation of the registration number, these agricultural considerations are vulnerable to fraud. H.B. 3256 seeks to address this concern.

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

H.B. 3256 amends the Transportation Code to prohibit a specialty license plate issued to certain farm vehicles or to specified drilling or construction equipment from being issued to an owner of a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used for specified purposes unless the vehicle's owner provides a registration number issued by the comptroller of public accounts in relation to a sales tax exemption for items used in certain timber or agricultural products operations. The bill prohibits a commercial motor vehicle from being registered as a farm vehicle unless the vehicle's owner provides such a registration number issued by the comptroller. The bill prohibits the issuance of a short-term permit to haul loads of a weight more than that for which a vehicle is registered when transporting specified farm- or ranch-related products, laborers, or materials unless the vehicle's owner provides such a registration number issued by the comptroller.

H.B. 3256 requires the comptroller to allow access to an online system established under relevant state law to verify such a registration number provided for any of these purposes.

EFFECTIVE DATE

September 1, 2013.