

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Raney, Kacal, Canales

H.B. No. 1698

A BILL TO BE ENTITLED

AN ACT

relating to an optional county fee on vehicle registration in certain counties to be used for transportation projects.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 502.402, Transportation Code, is amended by amending Subsections (a), (b), (b-1), and (e) and adding Subsection (e-1) to read as follows:

(a) This section applies only to:

(1) a county that:

(A) borders the United Mexican States; and

(B) has a population of more than 250,000; ~~and~~

(2) a county that has a population of more than 1.5 million that is coterminous with a regional mobility authority;

(3) a county other than a county described by Subdivision (1) or (2) that is part of a regional mobility authority; and

(4) a county:

(A) that has a population of more than 320,000;

(B) that does not border the United Mexican States; and

(C) in which a port authority is authorized to issue permits for oversize or overweight vehicles under Chapter 623.

(b) The commissioners court of a county by order may impose

1 an additional fee for a vehicle registered in the county. Except as  
2 provided by Subsection (b-1), the fee may not exceed \$10. In a  
3 county described by Subsection (a)(3), the fee must be approved by a  
4 majority of the qualified voters of the county voting on the issue  
5 at a referendum election, which the commissioners court may order  
6 and hold for that purpose.

7 (b-1) The commissioners court of a county described by  
8 Subsection (a) [~~with a population of less than 700,000~~] may  
9 increase the additional fee to an amount that does not exceed \$20 if  
10 approved by a majority of the qualified voters of the county voting  
11 on the issue at a referendum election, which the commissioners  
12 court may order and hold for that purpose.

13 (e) The additional fee shall be collected for a vehicle when  
14 other fees imposed under this chapter are collected. Except as  
15 otherwise provided by Subsection (e-1), the [~~The~~] fee revenue  
16 collected shall be:

17 (1) sent to a regional mobility authority located in  
18 the county to fund long-term transportation projects in the county  
19 that are consistent with the purposes specified by Section 7-a,  
20 Article VIII, Texas Constitution; or

21 (2) if there is no regional mobility authority located  
22 in the county, used by the county only to fund long-term  
23 transportation projects in the county that are consistent with the  
24 purposes specified by Section 7-a, Article VIII, Texas  
25 Constitution.

26 (e-1) If a county described by Subsection (a)(1), other than  
27 a county in which a vehicle is required to pass an emissions

1 inspection, has been authorized to increase the amount of the fee  
2 under Subsection (b-1), 50 percent of the additional revenue  
3 collected as authorized by that subsection shall be sent to the  
4 county treasurer of the county to be credited to the county road and  
5 bridge fund.

6 SECTION 2. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2021.

ADOPTED

MAY 24 2021

*Latey Law*  
Secretary of the Senate

By: Raney / Schwertner

H.B. No. 1498

Substitute the following for H.B. No. 1498:

By: Del. [Signature]

C.S. H.B. No. 1498

A BILL TO BE ENTITLED

AN ACT

1

2 relating to authorizing an optional county fee on vehicle  
3 registration in certain counties to be used for transportation  
4 projects.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Sections 502.402(a) and (b), Transportation  
7 Code, are amended to read as follows:

8 (a) This section applies only to:

9 (1) a county that:

10 (A) borders the United Mexican States; and

11 (B) has a population of more than 250,000; ~~and~~

12 (2) a county that has a population of more than 1.5  
13 million that is coterminous with a regional mobility authority; and

14 (3) a county that has a population of more than 190,000  
15 and not more than 1.5 million that is coterminous with a regional  
16 mobility authority.

17 (b) The commissioners court of a county by order may impose  
18 an additional fee for a vehicle registered in the county. Except as  
19 provided by Subsection (b-1), the fee may not exceed \$10. In a  
20 county described by Subsection (a)(3), the fee must be approved by a  
21 majority of the qualified voters of the county voting on the issue  
22 at a referendum election, which the commissioners court may order  
23 and hold for that purpose.

24 SECTION 2. This Act takes effect immediately if it receives

1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2021.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 24, 2021**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1698** by Raney (Relating to authorizing an optional county fee on vehicle registration in certain counties to be used for transportation projects.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Transportation Code to allow certain counties to impose an additional fee of not more than \$10 for a vehicle registered in the county. The bill would require the fee revenue collected to be sent to a regional mobility authority located in the county to fund long-term transportation projects.

The Department of Motor Vehicles (TxDMV) reports that any changes to county optional fees on vehicle registration that may result from implementation of the bill could be accommodated within the agency's existing registration systems.

**Local Government Impact**

The bill would apply to Brazos County. Based on the analysis provided by TxDMV, implementation of the optional fee in Brazos County could begin January 1, 2022, under the assumption that the commissioners court could pass a resolution, hold the required county election and receive approval of a majority of voters, and notify TxDMV by September 1, 2021, to begin charging the fee in calendar year 2022. Under these assumptions, TxDMV estimates a \$10 optional fee per registered vehicle in the county with an estimated annual growth rate of 1.5 percent in the number of registered vehicles would generate \$7.8 million in revenue over the five-year period from state fiscal year 2022 to 2026. Fee revenue would be sent to the local regional mobility authority to fund long-term transportation projects in Brazos County.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** JMc, LBO, AAL, TG, MB

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 21, 2021**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1698** by Raney (relating to authorizing an optional county fee on vehicle registration in certain counties to be used for transportation projects.), **Committee Report 2nd House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Transportation Code to allow certain counties to impose an additional fee of not more than \$10 for a vehicle registered in the county. The bill would require the fee revenue collected to be sent to a regional mobility authority located in the county to fund long-term transportation projects.

The Department of Motor Vehicles (TxDMV) reports that any changes to county optional fees on vehicle registration that may result from implementation of the bill could be accommodated within the agency's existing registration systems.

**Local Government Impact**

The bill would apply to Brazos County. Based on the analysis provided by TxDMV, implementation of the optional fee in Brazos County could begin January 1, 2022, under the assumption that the commissioners court could pass a resolution, hold the required county election and receive approval of a majority of voters, and notify TxDMV by September 1, 2021, to begin charging the fee in calendar year 2022. Under these assumptions, TxDMV estimates a \$10 optional fee per registered vehicle in the county with an estimated annual growth rate of 1.5 percent in the number of registered vehicles would generate \$7.8 million in revenue over the five-year period from state fiscal year 2022 to 2026. Fee revenue would be sent to the local regional mobility authority to fund long-term transportation projects in Brazos County.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** JMc, AAL, TG, MB

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 18, 2021**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1698** by Raney (Relating to an optional county fee on vehicle registration in certain counties to be used for transportation projects.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Transportation Code §502.402, regarding an optional county fee for transportation projects, to authorize the commissioners court of a county that is part of a regional mobility authority (RMA) and certain other additional counties to impose an additional fee for a vehicle registered in the county. The bill would require that, for certain counties that are part of an RMA subject to the provisions of the bill, the fee must be approved by a majority of voters of the county at an election that may be ordered and held by the commissioners court for that purpose. For certain counties, the bill would stipulate that if the county has been authorized to increase the fee to an amount greater than \$10 (not to exceed \$20), then 50 percent of the additional revenue is to be credited to the county road and bridge fund. The bill would stipulate that, if there is no regional mobility authority in the county, the fee revenue may be used by the county only to fund long term transportation projects that are consistent with Section 7-a, Article VIII, Texas Constitution.

The Texas Department of Motor Vehicles (TxDMV) reports that any changes to county optional fees on vehicle registration that may result from implementation of the bill could be accommodated within the agency's existing registration systems.

**Local Government Impact**

TxDMV reports that the bill would authorize the following additional counties to impose the optional county fee under Transportation Code §502.402: Bowie, Brazoria, Brazos, Camp, Cass, Cherokee, Delta, Fannin, Grayson, Gregg, Harris, Harrison, Hunt, Lamar, Nueces, Panola, Rusk, Smith, Titus, Travis, Upshur, Van Zandt, Williamson, and Wood Counties. Based on the analysis provided by TxDMV, implementation of the optional fee in all 24 additional counties could begin January 1, 2022, under the assumption that the commissioners court could pass a resolution, hold the required county election and receive approval of a majority of voters, and notify TxDMV by September 1, 2021, to begin charging the fee in calendar year 2022. Under these assumptions, TxDMV estimates a \$10 optional fee per registered vehicle in these counties with an estimated annual growth rate of 1.5 percent in the number of registered vehicles would generate a combined \$351.8 million in revenue over the five-year period from state fiscal year 2022 to 2026. Fee revenue generated in a county would be used to fund long-term transportation projects in the county.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** JMc, AAL, TG, MB



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 18, 2021**

**TO:** Honorable Terry Canales, Chair, House Committee on Transportation

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE:** **HB1698** by Raney (relating to an optional county fee on vehicle registration in certain counties to be used for transportation projects.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Transportation Code §502.402, regarding an optional county fee for transportation projects, to authorize the commissioners court of a county that is part of a regional mobility authority (RMA) to impose an additional fee for a vehicle registered in the county. The bill would require that, for a county subject to the provisions of the bill, the fee must be approved by a majority of voters of the county at an election that may be ordered and held by the commissioners court for that purpose. For certain counties, the bill would stipulate that if the county has been authorized to increase the fee to an amount greater than \$10 (not to exceed \$20), then 50 percent of the additional revenue is to be credited to the county road and bridge fund.

The Texas Department of Motor Vehicles (TxDMV) reports that any changes to county optional fees on vehicle registration that may result from implementation of the bill could be accommodated within the agency's existing registration systems.

**Local Government Impact**

TxDmv reports that the bill would authorize the following additional counties to impose the optional county fee under Transportation Code §502.402: Bowie, Brazos, Camp, Cass, Cherokee, Delta, Fannin, Grayson, Gregg, Harrison, Hunt, Lamar, Panola, Rusk, Smith, Titus, Travis, Upshur, Van Zandt, Williamson, and Wood Counties. Based on the analysis provided by TxDMV, implementation of the optional fee in these additional counties could begin January 1, 2022, under the assumption that the commissioners court could pass a resolution, hold the required county election and receive approval of a majority of voters, and notify TxDMV by September 1, 2021, to begin charging the fee in calendar year 2022. Under these assumptions, TxDMV estimates a \$10 optional fee per registered vehicle in these counties with an estimated annual growth rate of 1.5 percent in the number of registered vehicles would generate a combined \$141.4 million in revenue over the five-year period from state fiscal year 2022 to 2026. Fee revenue generated in a county would be sent to the local regional mobility authority to fund long-term transportation projects in the county.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** JMc, AAL, MB, TG

**LEGISLATIVE BUDGET BOARD**

Austin, Texas

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**March 16, 2021**

**TO:** Honorable Terry Canales, Chair, House Committee on Transportation

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1698** by Raney (Relating to authorizing an optional county fee on vehicle registration in certain counties to be used for transportation projects.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Transportation Code to allow certain counties to impose an additional fee of not more than \$10 for a vehicle registered in the county. The bill would require the fee revenue collected to be sent to a regional mobility authority located in the county to fund long-term transportation projects.

The Department of Motor Vehicles (TxDMV) reports that any changes to county optional fees on vehicle registration that may result from implementation of the bill could be accommodated within the agency's existing registration systems.

**Local Government Impact**

The bill would apply to Brazos County. Based on the analysis provided by TxDMV, implementation of the optional fee in Brazos County could begin January 1, 2022, under the assumption that the commissioners court could pass a resolution, hold the required county election and receive approval of a majority of voters, and notify TxDMV by September 1, 2021, to begin charging the fee in calendar year 2022. Under these assumptions, TxDMV estimates a \$10 optional fee per registered vehicle in the county with an estimated annual growth rate of 1.5 percent in the number of registered vehicles would generate \$7.8 million in revenue over the five-year period from state fiscal year 2022 to 2026. Fee revenue would be sent to the local regional mobility authority to fund long-term transportation projects in Brazos County.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** JMc, AAL, MB, TG