

BILL ANALYSIS

Senate Research Center

C.S.H.B. 2553
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Transportation & Homeland Security
5/22/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The U.S. Congress enacted the Consumer Product Safety Improvement Act of 2008, which sets forth a mandatory consumer product safety standard for all-terrain vehicles. After the standard takes effect, it shall be unlawful for any manufacturer or distributor to import or distribute in commerce in the United States any new assembled or unassembled all-terrain vehicle unless such standards are met.

Many of the references to off-highway vehicles in Texas statute are outmoded and outdated. In recent years, consumer demand has prompted off-highway vehicles manufacturers to develop innovative machines that have both recreational and utility purposes, as well as standard accessories that increase versatility and safety. The new factory-added features and accessories are calculated in vehicles' legal weight and dimensions, resulting in new production models that do not conform to statutory definitions in several states.

In addition, the Texas Department of Transportation (TxDOT) registers 21 million vehicles and processes six million vehicle titles annually. There are more than 1,600 fees associated with this process, which is confusing for consumers and inefficient. The process should be streamlined to clarify the system for consumers and increase its efficiency.

C.S.H.B. 2553 amends current law relating to the registration and operation of certain motor vehicles.

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 Section 29.001, Parks and Wildlife Code, to redefine "off-highway vehicle."

SECTION 2. Amends Section 501.002(14), Transportation Code, to redefine "motor vehicle."

SECTION 3. Amends Section 502.001, Transportation Code, by amending Subdivision (1) and adding Subdivision (19-a), to redefine "all-terrain vehicle" and to define "recreational off-highway vehicle," respectively.

SECTION 4. Amends Section 502.006, Transportation Code, as follows:

Sec. 502.006. New heading: CERTAIN OFF-HIGHWAY VEHICLES. (a) Prohibits a person, except as provided by Subsection (b), from registering an all-terrain vehicle or a recreational off-highway vehicle, with or without design alterations, for operation on a public highway.

(b) Authorizes the state, a county, or a municipality to register an all-terrain vehicle or a recreational off-highway vehicle for operation on a public beach or highway to maintain public safety and welfare.

(c) Provides that Section 502.172 (Optional County Fee for Road and Bridge Fund) does not apply to an all-terrain vehicle or a recreational off-highway vehicle. Makes a nonsubstantive change.

SECTION 5. Amends Section 547.001, Transportation Code, by adding Subsection (2-a), to define "golf cart."

SECTION 6. Amends Section 547.002, Transportation Code, as follows:

Sec. 547.002. **APPLICABILITY.** Provides that unless a provision is specifically made applicable, this chapter and the rules of Texas Department of Transportation (TxDOT) adopted under this chapter do not apply to a golf cart that is operated is only as authorized by Section 551.403, rather than required to be registered under Section 502.284.

SECTION 7. Amends Section 547.703(d), Transportation Code, to provide that a golf cart that is operated at a speed of not more than 25 miles per hour is required to display a slow-moving-vehicle emblem when it is operated on a public highway, as defined by Section 502.001 (Definitions), under Section 551.403 or 551.404. Deletes existing text providing that a golf cart as defined by Section 502.001 is required to display a slow-moving vehicle emblem only when it is operated on an arterial street.

SECTION 8. Amends Chapter 551, Transportation Code, by adding Subchapter F, as follows:

SUBCHAPTER F. GOLF CARTS

Sec. 551.401. Defines "golf cart" and "public highway."

Sec. 551.402. **REGISTRATION NOT AUTHORIZED.** (a) Prohibits TxDOT from registering a golf cart for operation on a public highway regardless of whether any alteration has been made to the golf cart.

(b) Authorizes the Department of Public Safety of the State of Texas (DPS), to issue license plates for a golf cart only as authorized by Section 504.510 (Golf Cart License Plates).

Sec. 551.403. **LIMITED OPERATION.** (a) Authorizes an operator to operate a golf cart in a master planned community that has in place a uniform set of restrictive covenants and for which a county or municipality has approved a plat; on a public or private beach; or on a public highway for which the posted speed limit is not more than 35 miles per hour, if the golf cart is operated during the daytime and not more than two miles from the location where the golf cart is usually parked and for transportation to or from a golf course.

(b) Authorizes TxDOT or a county or municipality to prohibit the operation of a golf cart on a public highway if TxDOT or the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety.

Sec. 551.404. **OPERATION IN MUNICIPALITIES.** (a) Authorizes the governing body of a municipality, in addition to the operation authorized by Section 551.403, to allow an operator to operate a golf cart on all or part of a public highway that is in the corporate boundaries of the municipality, and has a posted speed limit of not more than 35 miles per hour.

(b) Requires a golf cart operated under Subsection (a) to have headlamps, taillamps, reflectors, parking brake, and mirrors.

Sec. 551.405. **CROSSING CERTAIN ROADWAYS.** Authorizes a golf cart to cross intersections, including a road or street that has a posted speed limit of more than 35 miles per hour.

SECTION 9. Amends Section 601.052(a), Transportation Code, as follows:

(a) Provides that Section 601.051 (Requirement of Financial Responsibility) does not apply to the operation of certain vehicles, including the operation of a golf cart that is operated only as authorized by Section 551.403, rather than not required to be registered under Section 502.284.

SECTION 10. Repealer: Section 502.0071 (Golf Carts), Transportation Code.

Repealer: Section 547.703(e) (relating to defining "arterial street" in this section), Transportation Code.

SECTION 11. Amends the heading to Subtitle G, Title 7, Transportation Code, to read as follows:

SUBTITLE G. MOTORCYCLES AND OFF-HIGHWAY VEHICLES

SECTION 12. Amends the heading to Chapter 663, Transportation Code, to read as follows:

CHAPTER 663. CERTAIN OFF-HIGHWAY VEHICLES

SECTION 13. Amends Section 663.001, Transportation Code, by adding Subdivision (3), to define "recreational off-highway vehicle."

SECTION 14. Amends Subchapter A, Chapter 663, Transportation Code, by adding Section 663.003, as follows:

Sec. 663.003. RECREATIONAL OFF-HIGHWAY VEHICLES. Provides that this chapter applies to the operator and operation of a recreational off-highway vehicle in the same manner as if the recreational off-highway vehicle were an all-terrain vehicle.

SECTION 15. Amends Section 502.160, Transportation Code, as follows:

Sec. 502.160. New heading: FEE: MOTORCYCLE OR MOPED. Provides that the fee for a registration year for registration of a motorcycle or moped is \$30.

SECTION 16. Amends the heading to Section 502.161, Transportation Code, to read as follows:

Sec. 502.161. FEE: VEHICLES THAT WEIGH 6,000 POUNDS OR LESS.

SECTION 17. Amends Section 502.161(a), Transportation Code, as follows:

(a) Provides that the fee for a registration year for registration of a vehicle with a gross weight of 6,000 pounds or less is \$50.75, unless otherwise provided in this chapter. Deletes existing Subdivisions (1), (2), and (3), providing that the 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 a certain amount.

SECTION 18. Amends the heading to Section 502.162, Transportation Code, to read as follows:

Sec. 502.162. FEE: VEHICLES THAT WEIGH MORE THAN 6,000 POUNDS.

SECTION 19. Amends Section 502.162(a), Transportation Code, to set forth the fee for a registration year for registration of a vehicle with a gross weight of more than 6,000 pounds unless otherwise provided in this chapter. Deletes existing text providing that the fee for a registration year for registration of a commercial motor vehicle or truck tractor is \$25 plus a amount determined according to the vehicle's gross weight and tire equipment that is a certain amount.

SECTION 20. Amends Section 502.165, Transportation Code, as follows:

Sec. 502.165. FEE: ROAD TRACTOR. Provides that the fee for a registration year for registration of a road tractor is the fee prescribed by weight as certified by a public weigher or a license and weight inspector of DPS under Section 502.161 (Fee: Passenger Car, Municipal Bus, Private Bus) or 502.162 (Fee: Commercial Motor Vehicle or Truck-Tractor), as applicable. Deletes existing text providing that the fee for a registration year for registration of a road tractor is \$25 plus a certain amount determined according to the vehicle's weight as certified by a public weigher or a license and weight inspector of DPS.

SECTION 21. Amends the heading to Section 502.166, Transportation Code, to read as follows:

Sec. 502.166. FEE: TRAILER, TRAVEL TRAILER, OR SEMITRAILER.

SECTION 22. Amends Section 502.166, Transportation Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Provides that the fee for a registration year for registration of a trailer, travel trailer, or semitrailer with a gross weight of 6,000 pounds or less is \$45.00. Deletes existing text providing that the fee for a registration year for registration of a trailer or semitrailer is \$25 plus a certain amount determined according to the vehicle's gross weight and tire equipment.

(a-1) Provides that the fee for a registration year for registration of a trailer, travel trailer, or semitrailer with a gross weight of more than 6,000 pounds is calculated by gross weight according to Section 502.162.

SECTION 23. Amends Section 502.167(a), (b), and (c), Transportation Code, as follows:

(a) Provides that this section applies only to a truck-tractor or commercial motor vehicle with a gross weight, rather than manufacturer's rated carrying capacity, of more than 10,000 pounds, rather than one ton, that is used or is to be used in combination with a semitrailer that has a gross weight of more than 6,000 pounds.

(b) Provides that the fee for a registration year for registration of a truck-tractor or commercial motor vehicle is calculated by gross weight according to Section 502.162. Deletes existing text providing that the fee for a registration year for registration of a truck-tractor or commercial motor vehicle is \$40 plus a certain amount determined according to the combined gross weight of the vehicles, notwithstanding Section 502.162.

(c) Provides that the fee for a registration year for registration of a semitrailer used in the manner described by Subsection (a), regardless of the date the semitrailer is registered is a certain amount. Deletes existing text providing that the fee is a certain amount, notwithstanding Section 502.166 (Fee: Trailer or Semitrailer).

SECTION 24. Amends Section 502.168, Transportation Code, as follows:

Sec. 502.168. FEE: MOTOR BUS. Provides that the fee for a registration year for registration of a motor bus is the fee prescribed by Section 502.161 or 502.162, as applicable, rather than \$25 plus a certain amount determined according to the vehicle's gross weight.

SECTION 25. Amends Section 502.1705(b), Transportation Code, as follows:

(b) Authorizes TxDOT to use money collected under this section to provide for or enhance automated on-premises and off-premises registration and services related to the titling of vehicles. Deletes existing text authorizing TxDOT to use money collected under this section to perform one or more of the following: enhancing TxDOT's automated registration and title system; providing for the automated on site production of registration insignia; or providing for automated on-premises and off-premises self-service registration. Makes nonsubstantive changes.

SECTION 26. Amends the heading to Section 502.184, Transportation Code, to read as follows:

Sec. 502.184. REPLACEMENT OF REGISTRATION INSIGNIA.

SECTION 27. Amends Sections 502.184(a), (b), (e), and (f), Transportation Code, as follows:

(a) Authorizes the owner of a registered motor vehicle to obtain a replacement registration insignia by:

- (1) certifying that the replacement registration insignia will not be used on any other vehicle owned or operated by the person making the statement;
- (2) paying a fee of \$6, plus the fees required by Section 502.1705(a) (relating to the required collection of a \$1 fee in addition to other registration fees related to license plates or other devices used as the registration insignia) for each replacement registration insignia, except as provided by other law; and
- (3) returning each replaced registration insignia in the owner's possession.

Deletes existing text authorizing the owner of a registered motor vehicle to obtain from TxDOT through the county assessor-collector replacement license plates or a replacement registration insignia by filing with the assessor-collector a statement showing that one or both of the license plates or the registration insignia to be replaced has been lost, stolen, or mutilated, and stating that no license plate or registration insignia to be replaced will be used on any vehicle owned or operated by the person making the statement; paying a fee of \$5 plus the fees required by Sections 502.170(a) (relating to the required collection of a 30 cent fee in addition to other registration fees related to license plates or other devices used as registration insignia) and 502.1705(a) for each set of replacement license plates or each replacement registration insignia, except as provided by Subsection (b), (c) (relating to the fee for replacement of license plates issued under Section 504.507), or (i) (relating to authorizing the owner of a certain vehicle) to obtain certain replacements by paying a fee); and returning to the assessor collector each replaced plate or registration insignia in the owner's possession.

(b) Provides that no fee is required under this section if the replacement fee for a license plate has been paid under Section 502.1841, rather than for the replacement of lost, stolen, or mutilated specialized license plates issued under Sections 504.308 (Distinguished Flying Cross Medal Recipients) and 504.315(e) (relating to requiring TxDOT to issue specialty license plates to a recipient of a Congressional Medal of Honor) and (f) (relating to requiring TxDOT to issue specialty license plates for recipients of the Air Force Cross or Distinguished Service Cross, the Army Distinguished Service Cross, the Navy Cross, or the Medal of Honor). Deletes existing text setting forth fees for replacement of certain specialized license plates.

(e) Prohibits a county assessor-collector from issuing a replacement registration insignia without complying with this section, rather than prohibiting a county assessor-collector from issuing replacement license plates or a replacement registration insignia without complying with this section.

(f) Requires a county assessor-collector to retain \$2.50 of each fee collected under this section and report and send the remainder to TxDOT, rather than send the remainder to TxDOT as provided by Sections 502.102 (Disposition of Fees Generally) and 502.105 (Report of Fees Collected).

SECTION 28. Amends Subchapter D, Chapter 502, Transportation Code, by adding Section 502.1841, as follows:

Sec. 502.1841. REPLACEMENT LICENSE PLATES. (a) Authorizes the owner of a registered motor vehicle to obtain replacement license plates for the vehicle by certifying that the replacement plates will not be used on any other vehicle owned or operated by the person making the statement; paying a fee of \$6 plus the fee required by Section 502.1705(a) for each set of replacement license plates, unless otherwise specified by law; and returning to TxDOT each license plate in the owner's possession for which a replacement license plate is obtained.

(b) Prohibits replacement license plates from being issued except as provided by this section.

(c) Requires a county assessor-collector to retain \$2.50 of each fee collected under this section and forward the remainder of the fee to TxDOT.

(d) Provides that the fee required by this section applies to the issuance of license plates for a transferred used vehicle for which the registration and license plates were not transferred under Subchapter I (Registration Transfer and Removal of License Plates for the Sale or Transfer of Used Vehicles).

SECTION 29. Amends Section 504.101(d), Transportation Code, to prohibit TxDOT from issuing a replacement set of personalized license plates to the same person before the sixth anniversary of the date of issuance unless the applicant for issuance of replacement plates pays the fee required by Section 502.1841, rather than an additional fee of \$30.

SECTION 30. Amends Section 504.501, Transportation Code, as follows:

Sec. 504.501. New heading: CLASSIC MOTOR VEHICLES AND TRAVEL TRAILERS. (a) Requires TxDOT to issue specialty license plates for a motor vehicle that is at least 25 years old. Requires that the license plates include the word "Classic" rather than the words "Classic Auto," "Classic Motorcycle," or "Classic Truck," or a similar designation, as appropriate.

(b) Authorizes a person eligible for the license plates to instead use license plates that were issued by this state in the same year as the model year of the vehicle and are approved by TxDOT if the plates are approved for the vehicle before January 1, 2011. Authorizes TxDOT to require the attachment of a registration insignia to the license plate in a manner that does not affect the display of information originally on the license plate.

(c) Provides that there is no fee for issuance or approval of license plates under this section, rather than provides that the fee for issuance or approval of license plates under this section is \$15.

SECTION 31. Amends Section 504.505(c), Transportation Code, to provide that there is no fee for issuance of the license plates, rather than provide that the initial fee for issuance of the license plates is \$8.

SECTION 32. Amends Section 504.507(b), Transportation Code, to provide that there is no fee for issuance of the license plates, rather than provide the fee for issuance of the license plates is \$8. Requires TxDOT to collect any fee, rather than provide that also collect any additional fee, that a county imposes under this chapter for registration of a forestry vehicle and send the fee to the appropriate county for disposition.

SECTION 33. Amends Section 504.508(b), Transportation Code, as follows:

(b) Provides that there is no fee for issuance of the license plates, rather than provide that the fee for issuance of the license plates is \$15.

SECTION 34. Amends Section 504.509, Transportation Code, as follows:

Sec. 504.509. VEHICLES CARRYING MOBILE AMATEUR RADIO EQUIPMENT. Deletes existing Subsection (a) designation. Deletes Subsection (b) providing that the fee for issuance of the license plates is \$2 for the first year and \$1 for each subsequent year. Makes a nonsubstantive change

SECTION 35. Amends Section 504.510(b), Transportation Code, to provide that the fee for issuance of the license plates is \$6, rather than \$10.

SECTION 36. Amends Section 504.801(a), Transportation Code, to require that the redesign of an existing specialty license plate at the request of a sponsor be treated like the issuance of a new specialty license plate, except that TxDOT is authorized to require a nonrefundable design fee, rather than a lower deposit amount to reflect the actual costs of redesigning the license plate.

SECTION 37. Repealer: Section 502.007 (Mopeds), Transportation Code.

Repealer: Section 502.161(b) (relating to the fee for a registration year for certain vehicles weighing over 6,000 pounds), Transportation Code.

Repealer: Section 502.170 (Additional Fee for Reflectorized License Plates), Transportation Code.

Repealer: Section 502.1705(c) (relating to applying this section only in a county in which certain TxDOT programs have been implemented), Transportation Code.

Repealer: Section 502.187 (Parade Vehicles Owned by Nonprofit Service Organizations), Transportation Code.

Repealer: Section 502.201(c) (relating to requiring the owner of a certain vehicle to return the license plates and registration receipt to TxDOT for cancellation), Transportation Code.

Repealer: Section 502.453 (Fees Required for Transfer of License Plate and Registration Insignia), Transportation Code.

Repealer: Section 504.409(b) (relating to the fee for issuance of the license plates being \$4), Transportation Code.

Repealer: Section 504.5011 (Classic Travel Trailers), Transportation Code.

SECTION 38. Effective date, Sections 1 through 14 of this Act: September 1, 2009. Effective date, Sections 15 through 37 of this Act: September 1, 2011.