

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1073
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Transportation & Homeland Security
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Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently in Texas, cardboard tags are issued by dealers as a 21-day, temporary registration intended to allow a motor vehicle buyer sufficient time to apply for title, registration, and metal plates. Dealers order and receive tags directly from the printers and they are made of cardboard. The current vehicle registration tags are cheaply and easily counterfeited; they can be made by office printers and are sold in flea markets all over Texas. No one is required to disclose the number of tags purchased, printed, or issued.

C.S.S.B. 1073 provides the Motor Vehicle Board (board) the authority to issue or contract for the issuance of dealer, converter, and buyer temporary tags for use in the sale of motor vehicles; authorizes the board to promulgate rules to establish a fee to recover costs associated with the issuance of the temporary tags; and establishes the expiration period for a temporary buyer's tag to eliminate the need to provide an extension.

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 503.062, Transportation Code, by amending Subsections (a) and (d) and adding Subsection (d-1), as follows:

(a) Authorizes a dealer to issue a temporary tag for use on an unregistered vehicle by the dealer or the dealer's employee only to demonstrate or convey certain sales actions, except as provided by this section.

(d) Makes a conforming change.

(d-1) Authorizes the Texas Department of Transportation (TxDOT) to issue a dealer temporary tag or contract for the issuance of a dealer temporary tag pursuant to a plan adopted by TxDOT, notwithstanding the terms of this chapter, and to the extent that the plan complies with the terms of this subsection and other applicable law. Requires TxDOT to include certain provisions in a plan adopted under this subsection.

SECTION 2. Amends Section 503.0625, Transportation Code, by amending Subsections (b) and (e), and adding Subsection (e-1), as follows:

(b) Makes a conforming change to reference an exception made by this section.

(e) Makes a conforming change.

(e-1) Authorizes TxDOT to issue a converter temporary tag or contract for the issuance of a converter temporary tag pursuant to a plan adopted by TxDOT, notwithstanding the terms of this chapter, and to the extent that the plan complies with the terms of this subsection and other applicable law. Requires TxDOT to include certain provisions in a plan adopted under this subsection.

SECTION 3. Amends Section 503.063, Transportation Code, by amending Subsection (e) and adding Subsection (e-1), as follows:

(e) Makes a conforming change to reference an exception made by this section.

(e-1) Authorizes TxDOT to issue a buyer's temporary tag or contract for the issuance of a buyers temporary tag pursuant to a plan adopted by TxDOT, notwithstanding the terms of this chapter, and to the extent that the plan complies with the terms of this subsection and other applicable law. Requires TxDOT to include certain provisions in a plan adopted under this subsection.

SECTION 4. (a) Provides that neither TxDOT nor the Motor Vehicle Board may adopt a plan for the issuance of a temporary tag for use on an unregistered vehicle unless or until certain actions have been taken.

(b) Authorizes a plan adopted as provided by this Act to include tags made of material other than cardboard.

(c) Provides that a plan that does not comply with the terms of this section and other provisions of this Act is invalid. Provides that a plan that is not fully functional by February 15, 2007 is invalid.

(d) Provides that until a plan adopted pursuant to, and in full compliance with the terms of this Act is fully functional, the law applicable to the issuance of temporary tags on January 1, 2005, remains in force and effect.

SECTION 5. Effective date: September 1, 2005.