

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 2301

**PRINTER NO.** 3405

**AMOUNT**

See Fiscal Impact

**FUND**

Motor License Fund

**DATE INTRODUCED**

May 20, 2024

**PRIME SPONSOR**

Representative Neilson

**DESCRIPTION**

House Bill 2301 amends Title 75 (Vehicles) to make omnibus changes regarding vehicle registration plates and vehicle titling and registration fees.

This legislation amends Subchapter B (Registration Plates) of Chapter 13 (Registration of Vehicles) as follows:

- Amends Section 1356 and adds Section 1356.1 to establish the Global War on Terrorism Expeditionary Medal special registration plate for passenger vehicles;
- Amends Section 1358.2 to eliminate the expiration date for the Distracted Driving Awareness special registration plate;
- Amends Sections 1361 and 1364 to establish the Woman Veteran special registration plate for passenger vehicles and motorcycles and to authorize the Honoring Our Women Veterans special registration plate to be issued for motorcycles; and
- Adds Section 1368.4 to establish the Borinqueneers Congressional Gold Medal special registration plate for passenger vehicles.

This legislation amends Chapter 19 (Fees) to increase the annual income eligibility limit for a retiree to pay the reduced processing fee in lieu of the vehicle registration or registration renewal fee. The annual income limit is increased from \$19,200 to \$29,906 and shall be adjusted annually according to changes in the consumer price index.

Additionally, this legislation amends Chapter 19 to exempt the following veterans from paying vehicle titling and registration fees for one vehicle:

- A veteran who lost a limb or an eye or who became partially paralyzed while serving in the military;
- An individual who was a prisoner of war; and
- A recipient of the Congressional Medal of Honor or the Purple Heart.

Currently, these veterans, other than Purple Heart recipients, may pay the reduced processing fee in lieu of the vehicle registration or registration renewal fee.

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## FISCAL NOTE

This legislation is scheduled to take effect as follows:

- Eliminating the expiration date for the Distracted Driving Awareness special registration plate – immediately;
- Establishing the Global War on Terrorism Expeditionary Medal, Woman Veteran and Borinqueneers Congressional Gold Medal special registration plates – 120 days; and
- Amendments to Chapter 19 regarding vehicle titling and registration fees for retirees and veterans – five months.

### **FISCAL IMPACT:**

The Department of Transportation estimates costs for system changes to exempt certain veterans from titling and registration fees and accommodate three additional special registration plates to be approximately \$1.5 million.

Increasing the annual income eligibility limit for retirees to pay the reduced processing fee for vehicle registration will result in additional individuals paying the \$11 processing fee in lieu of the passenger vehicle registration fee of \$45. For every additional 100,000 individuals who use this benefit, Motor License Fund revenue will be reduced by \$3.4 million annually.

For every 5,000 veterans that qualify for the exemption to vehicle titling and registration fees there will be a reduction in Motor License Fund fee revenue of between \$55,000 and \$225,000 annually, depending on whether these individuals currently pay the reduced processing fee or the passenger vehicle registration fee.