

House Committee on Transportation
Senate Committee on Transportation & Homeland Security
JOINT PUBLIC HEARING
February 1, 2010

Vehicle Sales, Registration and Titling Fee Information

Presented by:
Texas Department of Motor Vehicles
January 29, 2010



Texas Department of Motor Vehicles
HELPING TEXANS GO. HELPING TEXAS GROW.

Motor Vehicle Registration Information

General

- Registration fees are collected for all vehicles operated in Texas.
- These fees are constitutionally dedicated for the construction and maintenance of public roadways.
- In FY09, state and county registration revenue totaled approximately \$1.5 Billion.
- There were 21.4 million vehicles registered in Texas in FY09. This number of registered vehicles is second only to California (27 million).
- Prior to the 81st Legislative Session, registration fees had not been changed since 1985.

Total Registration and Title Revenue (page 3)

- Total revenue generated from title and registration-related activities in FY09 was \$3.9 Billion.
- This revenue is distributed to General Revenue (Fund 1), the Highway Fund (Fund 6), the 254 counties, and other states for apportioned motor carriers.

TxDMV / County Split

- The \$1.5 Billion registration revenue is split between the Highway Fund and the counties.
- The “state” registration fee is actually split with the counties. The counties’ portion of the state registration fee is split between a commission paid for TAC services (\$75 million) and an amount dedicated for use on county transportation projects (\$163 million). Additionally, counties collect \$197 million in optional road and bridge fees.

Registration Fee Simplification (page 4)

- During the 81st Legislative Session, H.B. 2553 was passed simplifying Texas’ registration fee structure while remaining revenue neutral. This law becomes effective September 1, 2011.
- The goal was to simplify the complex structure—making it more understandable and acceptable to the public—with the added benefit of simplifying and thereby lessening the cost of the programming required for fee collection and distribution.
- An example of the simplification is the reduction of 1,600 heavy vehicle fees to 7 categories.
- The simplified fee structure assigns higher registration fees as vehicle weight increases. This linkage is logical because heavier vehicles require the roads to be built using more expensive construction methods and typically, heavier vehicles do more damage to roads and bridges than lighter-weight vehicles.

50 State Registration and Title Fee Comparison (page 5)

- The Texas passenger vehicle registration fee, at \$50.75, ranks 17th most expensive in the U.S. but is below the average of \$60.42 for the 6 highest vehicle population states.
- Texas' heavy (80,000 pound) truck registration fee is 36th highest in the U.S.

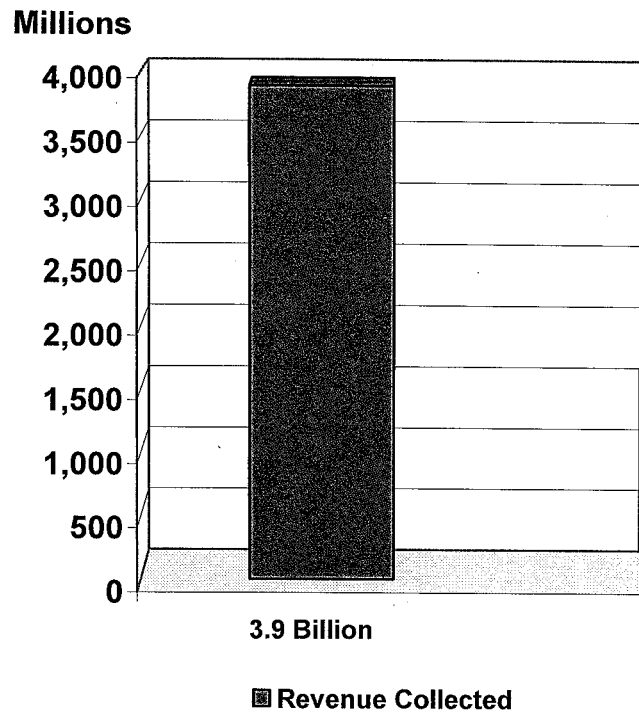
What Makes Up a Vehicle Registration Fee? (page 6)

- The vehicle registration fee customers pay is composed of a state registration fee, miscellaneous fees, and county option fees.
- Each county has the ability to customize their fees, charging up to \$10 for Road and Bridge fees and up to \$1.50 for Child Safety fees. Hidalgo and Cameron counties have the ability to collect up to \$10 additional for transportation projects.

Motor Vehicle Registration Transactions (page 7)

- Since 1985, when the vehicle registration fee was last increased, the number of registered vehicles in Texas has increased from less than 14 million to more than 21 million.
- The current projected average annual increase in registrations is 1.5%.

Total Revenue Collected in FY 2009



Revenue Collected Includes:

\$2.3 Billion	Fund 1
\$1.1 Billion	Fund 6
\$ 500 Million	Counties

An additional \$40 Million is distributed to other jurisdictions
(International Registration Plan – Apportioned Registration)

Registration Fee Simplification - HB 2553 (81st Legislature)

Fee Description	Number of Vehicles - FY 2007	Current Fees	Effective 09/01/2011 HB2553 - New Fees
Registration Fees (previously more than 79 different fees simplified to 3)			
Motorcycles and Mopeds	435,000	\$30.00	\$30.00
0 - 6,000 lbs trailers	1.1 mil	\$26 - \$45	\$45.00
Passenger Vehicles	12.3 mil	\$40.80, \$50.80, \$58.80	\$50.75
Light Trucks	6.3 mil	Avg. \$54.54	\$50.75
Weight Classification Registration Fees (previously more than 1,600 different fees simplified to 7)			
6,001-9,999 lbs	222,399	\$45 - \$86	\$54.00
10,000-17,999 lbs	180,312	\$86 - \$164	\$110.00
18,000-25,999 lbs	92,367	\$134 - \$254	\$205.00
26,000-39,999 lbs	44,273	\$182 - \$421	\$340.00
40,000-54,999 lbs	50,629	\$266 - \$566	\$535.00
55,000-69,999 lbs	15,915	\$354 - \$740	\$740.00
70,000-80,000 lbs	69,306	\$446 - \$840	\$840.00
Over 80,000 lbs		Varies	Varies
Miscellaneous Fees (standardized automated fee across all counties and eliminated separate reflectorization fee)			
Automated System Fee	17.9 mil	\$1.00 certain counties	\$1.00 all counties
Reflectorization Fee	21.9 mil	\$0.30	- 0 -
Annual Change			\$329,522.00

50 State Registration and Title Fee Comparison

State	Passenger Car	Rank (1 = most expensive)	Small Truck (10,000 lbs)	Rank (1 = most expensive)	Large Truck (80,000 lbs)	Rank (1 = most expensive)	Original Title Fee	Rank (1 = most expensive)
Iowa	\$298.00	1	\$105.00	20	\$1,695.00	12	\$15.00	24
Montana	\$217.00	2	\$144.75	14	\$402.75	46	\$10.00	31
Minnesota	\$189.00	3	\$125.00	16	\$1,700.00	11	\$5.50	44
* California	\$184.60	4	\$360.00	4	\$2,244.00	5	\$17.00	22
North Dakota	\$161.50	5	\$86.00	29	\$1,029.00	28	\$5.00	45
Michigan	\$131.50	6	\$491.00	2	\$1,660.00	14	\$15.00	24
Hawaii	\$125.00	7	\$370.00	3	\$2,820.00	3	\$10.00	31
Oklahoma	\$91.00	8	\$95.00	27	\$948.00	32	\$11.00	30
Utah	\$80.00	9	\$21.00	50	\$671.00	40	\$6.00	41
* Illinois	\$78.00	10	\$158.00	12	\$3,191.00	1	\$65.00	1
District of Columbia	\$72.00	11	\$300.00	5	\$2,325.00	4	\$26.00	11
Maryland	\$64.00	12	\$103.50	21	\$1,293.50	23	\$23.00	16
Vermont	\$60.00	13	\$173.00	9	\$1,909.50	8	\$28.00	9
* New York	\$56.00	14	\$59.00	36	\$968.00	30	\$50.00	3
Wisconsin	\$55.00	15	\$119.50	18	\$1,969.50	6	\$45.00	5
Missouri	\$51.25	16	\$38.00	43	\$1,719.50	10	\$8.50	39
*** Texas	\$50.75	17	\$50.75	38	\$840.00	36	\$28/\$33	9
Alaska	\$50.00	18	\$134.00	15	\$331.00	49	\$15.00	24
Idaho	\$48.00	19	\$48.00	39	\$515.40	43	\$8.00	40
* Florida	\$45.60	20	\$87.60	28	\$994.60	29	\$29.25	7
New Mexico	\$43.00	21	\$84.00	30	\$172.00	50	\$16.50	23
South Dakota	\$43.00	21	\$58.00	37	\$391.00	48	\$5.00	45
Connecticut	\$37.50	23	\$150.00	13	\$1,570.00	15	\$25.00	12
Pennsylvania	\$36.00	24	\$198.00	6	\$1,687.50	13	\$22.50	18
* Ohio	\$34.50	25	\$96.00	26	\$1,351.00	19	\$6.00	41
Nevada	\$33.00	26	\$33.00	48	\$33.00	51	\$28.50	8
Kansas	\$30.00	27	\$102.00	23	\$1,935.00	7	\$10.00	31
Washington	\$30.00	27	\$63.00	34	\$1,833.00	9	\$9.00	37
Virginia	\$29.50	29	\$62.00	35	\$1,316.60	22	\$10.00	31
West Virginia	\$28.50	30	\$35.00	45	\$1,131.25	27	\$10.00	31
Louisiana	\$28.40	31	\$36.00	44	\$504.00	44	\$18.50	20
North Carolina	\$28.00	32	\$100.00	24	\$1,232.00	26	\$40.00	6
Oregon	\$27.00	33	\$169.00	10	\$490.00	45	\$55.00	2
New Hampshire	\$25.25	34	\$84.00	30	\$712.20	39	\$25.00	12
Maine	\$25.00	35	\$48.00	39	\$877.00	35	\$23.00	17
Alabama	\$23.00	36	\$35.00	45	\$815.00	37	\$15.00	24
Tennessee	\$21.50	37	\$102.50	22	\$1,332.50	21	\$5.00	45
New Jersey	\$21.00	38	\$162.50	11	\$1,267.50	25	\$20.00	19
Indiana	\$20.75	39	\$79.75	32	\$965.75	31	\$15.00	24
Delaware	\$20.00	40	\$188.00	7	\$1,280.00	24	\$25.00	12
Rhode Island	\$20.00	40	\$39.00	42	\$522.00	42	\$25.00	12
Georgia	\$20.00	40	\$20.00	51	\$400.00	47	\$18.00	21
Massachusetts	\$18.00	43	\$123.00	17	\$648.00	41	\$50.00	3
Arkansas	\$17.00	44	\$65.00	33	\$1,350.00	20	\$5.00	45
Nebraska	\$15.00	45	\$35.00	45	\$910.00	34	\$10.00	31
Wyoming	\$15.00	45	\$180.00	8	\$1,400.00	18	\$9.00	37
South Carolina	\$12.00	47	\$100.00	24	\$800.00	38	\$15.00	24
Colorado	\$12.00	47	\$107.25	19	\$1,481.25	16	\$0.50	51
Kentucky	\$11.50	49	\$30.00	49	\$1,410.00	17	\$6.00	41
Mississippi	\$8.75	50	\$512.50	1	\$2,872.00	2	\$4.00	49
Arizona	\$8.00	51	\$48.00	39	\$930.00	33	\$4.00	49
High	\$298.00		\$512.50		\$3,191.00		\$65.00	
Low	\$8.00		\$20.00		\$33.00		\$0.50	
*** Texas	\$50.75		\$50.75		\$840.00		\$28/\$33	
Average of 6 largest states****	\$60.42		\$95.33		\$1,307.17		\$32.50	

* Indicates states with registered vehicle populations comparable in size to Texas

** Includes \$15/\$20 in Texas Emission Reduction Plan (TERP) fees based on county non-attainment status

*** Texas figures changed to reflect fees effective on 09/01/2011

**** This average includes California, Florida, Illinois, New York, Ohio, and Texas

Source:

Vehicle Titles and Registration Fee Study: A Rationale for changes to VTR Fees prepared by Cambridge Systematics, Inc. May 2008

What Makes Up A Vehicle Registration Fee?

\$ state registration fee + \$ miscellaneous fees (as applicable) + \$ county option fees <hr style="width: 100%;"/> \$ Total Registration Fee Due*
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State Registration Fee:

- \$30.00 - Motorcycle OR
- \$50.75 - Passenger & Light Truck OR
- Large Truck fees based on weight may also include:
 - 10% - Texas Emissions Reduction Plan (TERP) surcharge
(10% of total registration fee due for vehicles registered with
Combination or Apportioned License Plates)
 - 11% - Diesel fee (trucks over 2 tons)

Miscellaneous Fees:

- \$1 - DPS /Insurance fee
- \$1 - Automation fee

County Option Fees: (set by court order or law)

- \$0 - 10 Optional County Fee for Road and Bridge
- \$0 - 1.50 Optional County Fee for Child Safety
- \$0 - 10 Regional Mobility Fee (Cameron and Hidalgo only)
- \$1 Mail-in service Fee

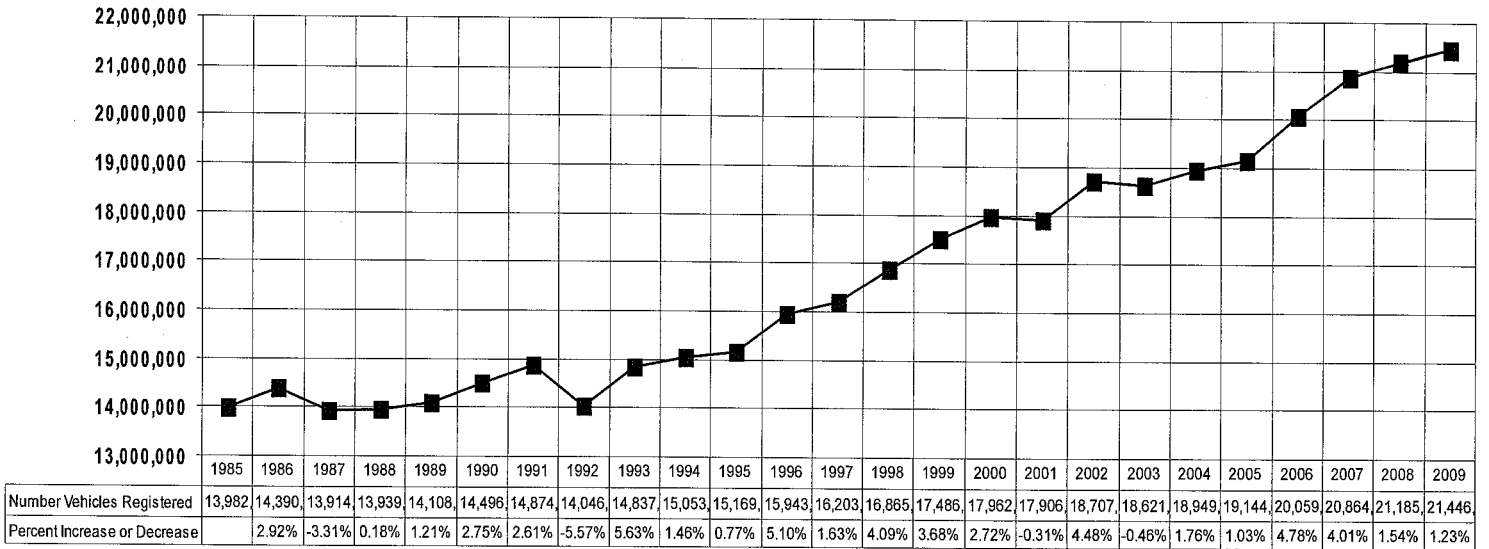
Examples:

COUNTIES

	Gregg	Cherokee Dallas El Paso Grayson McLennan Starr Tarrant Waller	Chambers	Bexar Collin Harris Travis	Hidalgo
State Registration Fee:					
Passenger Vehicle	\$50.75	\$50.75	\$50.75	\$50.75	\$50.75
Miscellaneous Fees:					
+ DPS Insurance	1.00	1.00	1.00	1.00	1.00
+ Automation fee	1.00	1.00	1.00	1.00	1.00
County Fees:					
+ Road and Bridge	9.00	10.00	10.00	10.00	10.00
+ Child Safety			.50	1.50	
+ Regional Mobility					10.00
Total Fee Due	\$61.75*	\$62.75*	\$63.25*	\$64.25*	\$72.75*

*an additional \$2 service fee applies if processed on-line or \$1 at a subcontractor (grocery store, etc.)

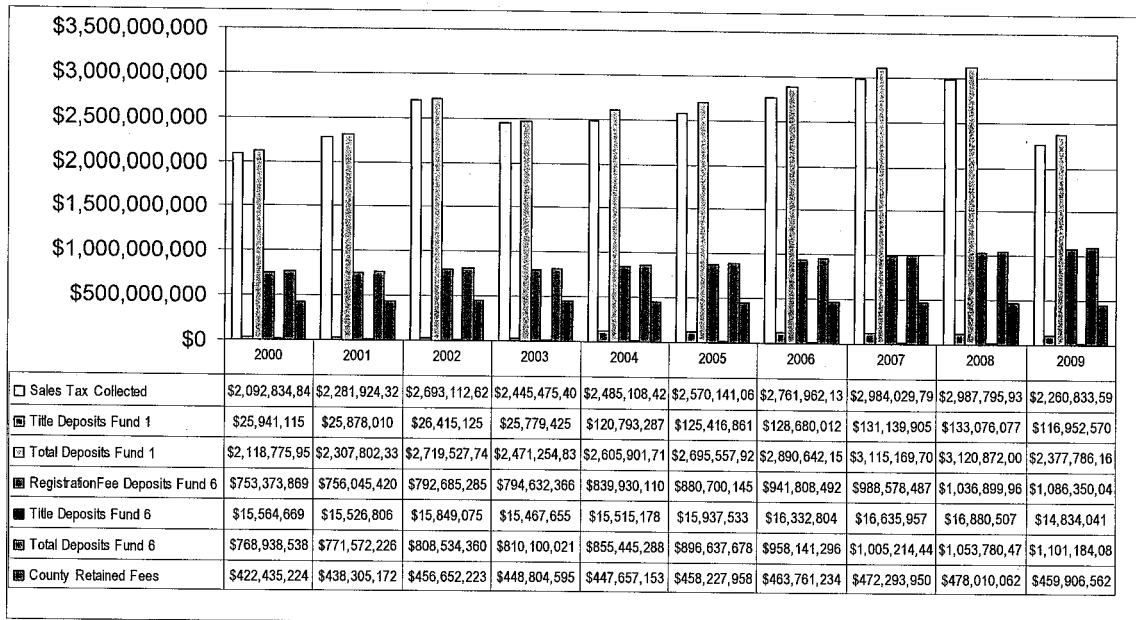
Texas Motor Vehicle Registration Transactions FY 1985 – 2009



The "Number Vehicles Registered" in the legend above is shown in 1,000's. (ex: 13,982 = 13,982,000)

The current projected annual increase in registration is 1.5

Texas Motor Vehicle Revenues Registration, Titling, Sales Tax and Related Revenue Collected, Deposited and/or Retained FY 2000 - 2009



Source: TxDOT - Finance Division. Beginning with 2004, TERP fees were collected and deposited to Fund 1. In 2009, both TERP fees and Texas Mobility Funds fees were deposited to Fund 1. Total Deposits to Fund 1 include motor vehicle sales tax.