



LOCAL OPTION VEHICLE REGISTRATION FEES



Source: www.proletarianblog.com

More Information: tti.tamu.edu/policy/how-to-fund-transportation

Description

The state of Texas requires all registered vehicles to pay a state vehicle registration fee. A local option registration fee would allow regions to require an additional vehicle registration fee that could be spent on local transportation programs and supplement funds from the state.

Some counties in Texas already have this ability with varying requirements for how the money may be spent. For example, the funds may be spent on non-highway projects like transit, rail, or waterway initiatives.

How Will This Help?

- **Helps fund local transportation projects** to reduce local traffic congestion and maintain the safety and quality of local roadways.

- **Increases the number of funded projects** and **helps speed up or expand the scope of existing projects.**

What's the Downside?

- Passing piecemeal enabling legislation instead of a statewide allowance creates a non-uniform patchwork of legislation.
- The local fee will only apply to vehicle owners who reside and register their vehicles locally. A large additional fee may deter new businesses and residents, slowing economic growth.

WHO



LOCAL

COST TO COLLECT



LONGEVITY



RELIABILITY



IMPLEMENTATION



WHO'S DONE IT: TEXAS



In Texas, certain counties are allowed to increase their local vehicle registration fees.

During the 2013 legislative session, Section 502.402 of the Texas Transportation Code (Optional County Fee for Transportation Projects) **passed allowing Bexar, El Paso, Hidalgo, and Webb Counties to raise their vehicle registration fees by \$10 (and in some cases \$20).** Both bills let county commissioners approve the fee increases under two conditions:

- **All money goes toward road and bridge projects.**
- **The funds are managed by the relevant regional mobility authority.**

ESTIMATED FUND YIELD FROM 2016–2019

A local \$5 fee would yield:

- \$49 million in Austin
- \$142 million in Houston
- \$150 million in Dallas-Fort Worth
- \$52 million in San Antonio

A local \$25 fee would yield:

- \$245 million in Austin
- \$712 million in Houston
- \$748 million in Dallas-Fort Worth
- \$258 million in San Antonio

