

AN ACT

relating to the issuance and renewal of certain motor vehicle dealer licenses, motor vehicle license plates, and general distinguishing numbers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2301.257(b), Occupations Code, is amended to read as follows:

(b) If a material change occurs in the information included in an application for a dealer's license, the dealer shall notify the director [~~board~~] of the change within a reasonable time [~~but not later than the next annual renewal~~]. The director [~~board~~] shall prescribe a form for the disclosure of the change.

SECTION 2. Section 2301.264, Occupations Code, is amended by amending Subsection (a) and adding Subsections (e) and (f) to read as follows:

(a) The annual fees for a license issued under this chapter are:

(1) \$900 for a manufacturer or distributor, plus \$20 for each dealer franchised by the manufacturer or distributor;

(2) for a franchised dealer:

(A) \$175, if the dealer sold fewer than 201 new motor vehicles during the preceding calendar year;

(B) \$275, if the dealer sold more than 200 but fewer than 401 new motor vehicles during the preceding calendar

1 year;

2 (C) \$400, if the dealer sold more than 400 but  
3 fewer than 801 new motor vehicles during the preceding calendar  
4 year;

5 (D) \$500, if the dealer sold more than 800 but  
6 fewer than 1,201 new motor vehicles during the preceding calendar  
7 year;

8 (E) \$625, if the dealer sold more than 1,200 but  
9 fewer than 1,601 new motor vehicles during the preceding calendar  
10 year;

11 (F) \$750, if the dealer sold more than 1,600 new  
12 motor vehicles during the preceding calendar year; and

13 (G) \$100 for each location separate from the  
14 dealership at which the dealer does not offer motor vehicles for  
15 sale but performs warranty service work on vehicles the dealer is  
16 franchised and licensed to sell;

17 (3) [~~\$25 for an amendment to a license,~~

18 [~~4~~] \$100 for a representative;

19 (4) [~~5~~] \$375 for a converter;

20 (5) [~~6~~] for a vehicle lessor:

21 (A) \$175, if the lessor leased 200 or fewer motor  
22 vehicles during the preceding calendar year;

23 (B) \$275, if the lessor leased more than 200 but  
24 fewer than 401 motor vehicles during the preceding calendar year;

25 (C) \$400, if the lessor leased more than 400 but  
26 fewer than 801 motor vehicles during the preceding calendar year;

27 (D) \$500, if the lessor leased more than 800 but

1 fewer than 1,201 motor vehicles during the preceding calendar year;  
2 (E) \$625, if the lessor leased more than 1,200  
3 but fewer than 1,601 motor vehicles during the preceding calendar  
4 year; and

5 (F) \$750, if the lessor leased more than 1,600  
6 motor vehicles during the preceding calendar year; and

7 (6) [~~7~~] \$375 for a vehicle lease facilitator [~~, and~~  
8 [~~8~~] ~~\$50 for a duplicate license~~].

9 (e) The fee for an amendment to a license under this chapter  
10 is \$25.

11 (f) The fee for a duplicate license under this chapter is  
12 \$50.

13 SECTION 3. The heading to Section 2301.301, Occupations  
14 Code, is amended to read as follows:

15 Sec. 2301.301. LICENSE TERM AND [~~ANNUAL~~] RENEWAL  
16 [~~REQUIRED~~].

17 SECTION 4. Section 2301.301, Occupations Code, is amended  
18 by amending Subsections (a), (b), and (c) and adding Subsection (e)  
19 to read as follows:

20 (a) Licenses [~~A license~~] issued under this chapter are valid  
21 for the period prescribed by the commission [~~expires on the first~~  
22 ~~anniversary of the date the license is issued~~].

23 (b) The director [~~board~~] may issue a license for a term of  
24 less than the period prescribed under Subsection (a) [~~one year~~] to  
25 coordinate the expiration dates of licenses held by a person that is  
26 required to obtain more than one license to perform activities  
27 under this chapter.

1           (c) The commission [~~board~~] by rule may implement a system  
2 under which licenses expire on various dates during the year. If a  
3 license is issued or renewed for a term that is less than the period  
4 set under Subsection (a) [~~For a year in which a license expiration~~  
5 date is changed], the fee for the license shall be prorated so that  
6 the license holder pays only that portion of the fee that is  
7 allocable to the number of months during which the license is valid.  
8 On renewal of the license on the new expiration date, the entire  
9 license renewal fee is payable.

10           (e) If the commission prescribes the term of a license under  
11 this chapter for a period other than one year, the commission shall  
12 prorate the applicable annual fee required under this chapter as  
13 necessary to reflect the term of the license.

14           SECTION 5. Section 2301.303, Occupations Code, is amended  
15 to read as follows:

16           Sec. 2301.303. RENEWAL OF DEALER'S LICENSE. A dealer shall  
17 renew the dealer's license [~~annually~~] on an application prescribed  
18 by the director [~~board~~]. The director [~~board~~] shall include in the  
19 renewal application a request for disclosure of material changes  
20 described by Section 2301.257.

21           SECTION 6. Sections 503.007(a), (b), and (c),  
22 Transportation Code, are amended to read as follows:

23           (a) The fee for an original general distinguishing number is  
24 \$500 for the first year and \$200 for each subsequent year for which  
25 the number is valid.

26           (b) The fee for the renewal of a general distinguishing  
27 number is \$200 a year.

1 (c) The registration fee for a drive-a-way in-transit  
2 license is \$50 a year.

3 SECTION 7. Sections 503.008(a), (b), and (c),  
4 Transportation Code, are amended to read as follows:

5 (a) The fee for a metal dealer's license plate is \$20 a year.

6 (b) The fee for a manufacturer's license plate is \$40 a  
7 year.

8 (c) The fee for an additional set of drive-a-way in-transit  
9 license plates is \$5 a year.

10 SECTION 8. Subchapter A, Chapter 503, Transportation Code,  
11 is amended by adding Sections 503.010, 503.011, and 503.012 to read  
12 as follows:

13 Sec. 503.010. TERM OF GENERAL DISTINGUISHING NUMBER,  
14 LICENSE, OR LICENSE PLATE. Each general distinguishing number,  
15 license, or license plate issued under this chapter is valid for the  
16 period prescribed by the commission.

17 Sec. 503.011. PRORATING FEES. If the commission prescribes  
18 the term of a general distinguishing number, license, or license  
19 plate under this chapter for a period other than one year, the  
20 commission shall prorate the applicable annual fee required under  
21 this chapter as necessary to reflect the term of the number,  
22 license, or license plate.

23 Sec. 503.012. COLLECTED MONEY. Section 403.095, Government  
24 Code, does not apply to money received by the department and  
25 deposited to the credit of the state highway fund in accordance with  
26 this chapter.

27 SECTION 9. Sections 503.032(a) and (c), Transportation

1 Code, are amended to read as follows:

2 (a) An applicant for a dealer general distinguishing number  
3 or wholesale motor vehicle auction general distinguishing number  
4 must demonstrate that the location for which the applicant requests  
5 the number is an established and permanent place of business. A  
6 location is considered to be an established and permanent place of  
7 business if the applicant:

8 (1) owns the real property on which the business is  
9 situated or has a written lease for the property that has a term of  
10 not less than the term of the general distinguishing number [~~one~~  
11 ~~year~~];

12 (2) maintains on the location:

13 (A) a permanent furnished office that is equipped  
14 as required by the department for the sale of the vehicles of the  
15 type specified in the application; and

16 (B) a conspicuous sign with letters at least six  
17 inches high showing the name of the applicant's business; and

18 (3) has sufficient space on the location to display at  
19 least five vehicles of the type specified in the application.

20 (c) The applicant must demonstrate that:

21 (1) the applicant intends to remain regularly and  
22 actively engaged in the business specified in the application for a  
23 time equal to at least the term of the general distinguishing number  
24 [~~one year~~] at the location specified in the application; and

25 (2) the applicant or a bona fide employee of the  
26 applicant will be:

27 (A) at the location to buy, sell, lease, or

1 exchange vehicles; and

2 (B) available to the public or the department at  
3 that location during reasonable and lawful business hours.

4 SECTION 10. Section 503.035, Transportation Code, is  
5 amended to read as follows:

6 Sec. 503.035. ISSUANCE AND RENEWAL OF DRIVE-A-WAY  
7 IN-TRANSIT LICENSE. The department shall issue to an applicant on  
8 the filing of the application and the payment of the fee a [~~an~~  
9 ~~annual~~] drive-a-way in-transit license and in-transit license  
10 plates.

11 SECTION 11. Section 503.0618(c), Transportation Code, is  
12 amended to read as follows:

13 (c) The fee for a metal converter's license plate is \$20 a  
14 year.

15 SECTION 12. Section 503.066(d), Transportation Code, is  
16 amended to read as follows:

17 (d) A metal license plate issued under this chapter expires  
18 on the same date as the expiration of the [~~dealer~~] license under  
19 [~~to~~] which it is issued.

20 SECTION 13. The changes in law made by this Act to the  
21 issuance and renewal of a license under Chapter 2301, Occupations  
22 Code, and a license, general distinguishing number, or license  
23 plate under Chapter 503, Transportation Code, apply only to a  
24 license, general distinguishing number, or license plate that is  
25 originally issued or is renewed on or after the effective date of  
26 this Act. A license, general distinguishing number, or license  
27 plate that is issued or renewed before that date is governed by the

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1 law in effect on the date of issuance or renewal, and the former law  
2 is continued in effect for that purpose.

3 SECTION 14. This Act takes effect September 1, 2007.



David Newkirk

President of the Senate

Tom Craddick

Speaker of the House

I certify that H.B. No. 2651 was passed by the House on May 8, 2007, by the following vote: Yeas 146, Nays 0, 2 present, not voting.

Robert Haney  
Chief Clerk of the House

I certify that H.B. No. 2651 was passed by the Senate on May 23, 2007, by the following vote: Yeas 31, Nays 0.

Daisy Snow  
Secretary of the Senate

APPROVED: 15 JUN 07

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
5 PM O'CLOCK

JUN 15 2007  
Roger Minnis  
Secretary of State