

AN ACT

1
2 relating to motor vehicles; providing penalties.

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

4 SECTION 1. Section 501.002, Transportation Code, is amended
5 to read as follows:

6 Sec. 501.002. DEFINITIONS. In this chapter:

7 (1) "Certificate of title" means a printed record of
8 title [~~an instrument~~] issued under Section 501.021.

9 (2) "Credit card" means a card, plate, or similar
10 device used to make a purchase or to borrow money.

11 (3) "Dealer" has the meaning assigned by Section
12 503.001 [~~means a person who purchases motor vehicles for sale at~~
13 ~~retail~~].

14 (4) "Debit card" means a card that enables the holder
15 to withdraw money or to have the cost of a purchase charged directly
16 to the holder's bank account.

17 (5) [~~3~~] "Department" means the Texas Department of
18 Motor Vehicles.

19 (6) [~~4~~] "Distributor" has the meaning assigned by
20 Section 2301.002, Occupations Code [~~means a person engaged in the~~
21 ~~business of selling to a dealer motor vehicles purchased from a~~
22 ~~manufacturer~~].

23 (7) "Electric bicycle" has the meaning assigned by
24 Section 541.201.

1 (8) [~~5~~] "First sale" means:

2 (A) the bargain, sale, transfer, or delivery of a
3 motor vehicle that has not been previously registered or titled
4 [~~licensed~~], with intent to pass an interest in the motor vehicle,
5 other than a lien, regardless of where the bargain, sale, transfer,
6 or delivery occurred; and

7 (B) the registration or titling [~~licensing~~] of
8 that vehicle.

9 (9) [~~6~~] "House trailer" means a trailer designed for
10 human habitation. The term does not include manufactured housing.

11 (10) [~~7~~] "Importer" means a person, other than a
12 manufacturer, that brings a used motor vehicle into this state for
13 sale in this state.

14 (11) [~~8~~] "Importer's certificate" means a
15 certificate for a used motor vehicle brought into this state for
16 sale in this state.

17 (12) [~~9~~] "Lien" means:

18 (A) a lien provided for by the constitution or
19 statute in a motor vehicle;

20 (B) a security interest, as defined by Section
21 1.201, Business & Commerce Code, in a motor vehicle, other than an
22 absolute title, created by any written security agreement, as
23 defined by Section 9.102, Business & Commerce Code, including a
24 lease, conditional sales contract, deed of trust, chattel mortgage,
25 trust receipt, or reservation of title; or

26 (C) a child support lien under Chapter 157,
27 Family Code.

1 (13) [~~(10)~~] "Manufactured housing" has the meaning
2 assigned by Chapter 1201, Occupations Code.

3 (14) [~~(11)~~] "Manufacturer" has the meaning assigned
4 by Section 503.001 [~~means a person regularly engaged in the~~
5 ~~business of manufacturing or assembling new motor vehicles~~].

6 (15) [~~(12)~~] "Manufacturer's permanent vehicle
7 identification number" means the number affixed by the manufacturer
8 to a motor vehicle in a manner and place easily accessible for
9 physical examination and die-stamped or otherwise permanently
10 affixed on one or more removable parts of the vehicle.

11 (16) [~~(13)~~] "Motorcycle" has the meaning assigned by
12 Section 521.001 or 541.201, as applicable [~~means a motor vehicle,~~
13 ~~other than a tractor, designed to propel itself with not more than~~
14 ~~three wheels in contact with the ground~~].

15 (17) [~~(14)~~] "Motor vehicle" means:

16 (A) any motor driven or propelled vehicle
17 required to be registered under the laws of this state;

18 (B) a trailer or semitrailer, other than
19 manufactured housing, that has a gross vehicle weight that exceeds
20 4,000 pounds;

21 (C) a travel [~~house~~] trailer;

22 (D) an all-terrain vehicle or a recreational
23 off-highway vehicle, as those terms are defined by Section 502.001,
24 designed by the manufacturer for off-highway use that is not
25 required to be registered under the laws of this state; or

26 (E) a motorcycle, motor-driven cycle, or moped
27 that is not required to be registered under the laws of this state[

1 ~~other than a motorcycle, motor-driven cycle, or moped designed for~~
2 ~~and used exclusively on a golf course].~~

3 (18) [(15)] "New motor vehicle" has the meaning
4 assigned by Section 2301.002, Occupations Code [means a motor
5 vehicle that has not been the subject of a first sale].

6 (19) [(16)] "Owner" means [includes] a person, other
7 than a manufacturer, importer, distributor, or dealer, claiming
8 title to or having a right to operate under a lien a motor vehicle
9 that has been subject to a first sale.

10 (20) "Purchaser" means a person or entity to which a
11 motor vehicle is donated, given, sold, or otherwise transferred.

12 (21) "Record of title" means an electronic record of
13 motor vehicle ownership in the department's motor vehicle database
14 that is created under Subchapter I.

15 (22) "Seller" means a person or entity that donates,
16 gives, sells, or otherwise transfers ownership of a motor vehicle.

17 (23) [(17)] "Semitrailer" means a vehicle that is
18 designed or used with a motor vehicle so that part of the weight of
19 the vehicle and its load rests on or is carried by another vehicle.

20 (24) [(18)] "Serial number" means a vehicle
21 identification number that is affixed to a part of a motor vehicle
22 and that is:

23 (A) the manufacturer's permanent vehicle
24 identification number;

25 (B) a derivative number of the manufacturer's
26 permanent vehicle identification number;

27 (C) the motor number; or

1 (D) the vehicle identification number assigned
2 by the department.

3 (25) [~~19~~] "Steal" has the meaning assigned by
4 Section 31.01, Penal Code.

5 (26) [~~20~~] "Subsequent sale" means:

6 (A) the bargain, sale, transfer, or delivery of a
7 used motor vehicle [~~that has been previously registered or licensed~~
8 ~~in this state or elsewhere~~], with intent to pass an interest in the
9 vehicle, other than a lien[~~, regardless of where the bargain, sale,~~
10 ~~transfer, or delivery occurs~~]; and

11 (B) the registration of the vehicle if
12 registration is required under the laws of this state.

13 (27) "Title" means a certificate or record of title
14 that is issued under Section 501.021.

15 (28) [~~21~~] "Title receipt" means a document [~~an~~
16 ~~instrument~~] issued under Section 501.024.

17 (29) [~~22~~] "Trailer" means a vehicle that:

18 (A) is designed or used to carry a load wholly on
19 the trailer's own structure; and

20 (B) is drawn or designed to be drawn by a motor
21 vehicle.

22 (30) "Travel trailer" means a house trailer-type
23 vehicle or a camper trailer:

24 (A) that is a recreational vehicle defined under
25 24 C.F.R. Section 3282.8(g); or

26 (B) that:

27 (i) is less than eight feet in width or 40

1 feet in length, exclusive of any hitch installed on the vehicle;

2 (ii) is designed primarily for use as
3 temporary living quarters in connection with recreational,
4 camping, travel, or seasonal use;

5 (iii) is not used as a permanent dwelling;

6 and

7 (iv) is not a utility trailer, enclosed
8 trailer, or other trailer that does not have human habitation as its
9 primary function.

10 (31) [~~423~~] "Used motor vehicle" means a motor vehicle
11 that has been the subject of a first sale.

12 (32) "Vehicle identification number" means:

13 (A) the manufacturer's permanent vehicle
14 identification number affixed by the manufacturer to the motor
15 vehicle that is easily accessible for physical examination and
16 permanently affixed on one or more removable parts of the vehicle;
17 or

18 (B) a serial number affixed to a part of a motor
19 vehicle that is:

20 (i) a derivative number of the
21 manufacturer's permanent vehicle identification number;

22 (ii) the motor number; or

23 (iii) a vehicle identification number
24 assigned by the department.

25 SECTION 2. The heading to Section 501.003, Transportation
26 Code, is amended to read as follows:

27 Sec. 501.003. PURPOSE [~~CONSTRUCTION~~].

1 SECTION 3. Section 501.004(a), Transportation Code, is
2 amended to read as follows:

3 (a) Except as provided by this section, this ~~[This]~~ chapter
4 applies to all motor vehicles, including a motor vehicle owned by
5 the state or a political subdivision of the state.

6 SECTION 4. Section 501.131, Transportation Code, is
7 transferred to Subchapter A, Chapter 501, Transportation Code,
8 redesignated as Section 501.0041, Transportation Code, and amended
9 to read as follows:

10 Sec. 501.0041 ~~[501.131]~~. RULES; FORMS. (a) The
11 department may adopt rules to administer this chapter.

12 (b) The department shall post forms on the Internet and ~~[+]~~
13 ~~[(1) in addition to the forms required by this~~
14 ~~chapter, prescribe forms for a title receipt, manufacturer's~~
15 ~~certificate, and importer's certificate, and other forms the~~
16 ~~department determines necessary, and~~

17 ~~[(2)]~~ provide each county assessor-collector with a
18 sufficient supply of any necessary ~~[the]~~ forms on request.

19 SECTION 5. Section 501.159, Transportation Code, is
20 transferred to Subchapter A, Chapter 501, Transportation Code,
21 redesignated as Section 501.006, Transportation Code, and amended
22 to read as follows:

23 Sec. 501.006 ~~[501.159]~~. ALIAS ~~[CERTIFICATE OF]~~ TITLE. On
24 receipt of a verified ~~[written]~~ request approved by the executive
25 administrator of a law enforcement agency, the department may issue
26 a ~~[certificate of]~~ title in the form requested by the executive
27 administrator for a vehicle in an alias for the law enforcement

1 agency's use in a covert criminal investigation.

2 SECTION 6. Section 501.021, Transportation Code, is amended
3 to read as follows:

4 Sec. 501.021. [~~CERTIFICATE OF~~] TITLE FOR MOTOR VEHICLE.

5 (a) A motor vehicle [~~certificate of~~] title [~~is an instrument~~]
6 issued by the department must include [~~that includes~~]:

7 (1) the name and address of each [~~the~~] purchaser and
8 seller at the first sale or [~~the transferee and transferor at~~] a
9 subsequent sale;

10 (2) the make of the motor vehicle;

11 (3) the body type of the vehicle;

12 (4) the manufacturer's permanent vehicle
13 identification number of the vehicle or the vehicle's motor number
14 if the vehicle was manufactured before the date that stamping a
15 permanent identification number on a motor vehicle was universally
16 adopted;

17 (5) the serial number for the vehicle;

18 (6) the [~~number on the vehicle's current Texas license~~
19 ~~plates, if any,~~

20 [~~(7) a statement,~~

21 [~~(A) that no lien on the vehicle is recorded, or~~

22 [~~(B) of the~~] name and address of each lienholder
23 and the date of each lien on the vehicle, listed in the
24 chronological order in which the lien was recorded;

25 (7) [~~(8) a space for the signature of the owner of the~~
26 ~~vehicle,~~

27 [~~(9)~~] a statement indicating rights of survivorship

1 under Section 501.031;

2 (8) [~~(10)~~] if the vehicle has an odometer, the
3 odometer reading at the time of [~~indicated by the~~] application for
4 the [~~certificate of~~] title; and

5 (9) [~~(11)~~] any other information required by the
6 department.

7 (b) A printed certificate of title must bear the following
8 statement on its face:

9 "UNLESS OTHERWISE AUTHORIZED BY LAW, IT IS A VIOLATION OF
10 STATE LAW TO SIGN THE NAME OF ANOTHER PERSON ON A CERTIFICATE OF
11 TITLE OR OTHERWISE GIVE FALSE INFORMATION ON A CERTIFICATE OF
12 TITLE."

13 (c) A [~~certificate of~~] title for a motor vehicle that has
14 been the subject of an ordered repurchase or replacement under
15 Chapter 2301, Occupations Code, must contain on its face a notice
16 sufficient to inform a purchaser that the motor vehicle has been the
17 subject of an ordered repurchase or replacement.

18 SECTION 7. The heading to Section 501.022, Transportation
19 Code, is amended to read as follows:

20 Sec. 501.022. MOTOR VEHICLE [~~CERTIFICATE OF~~] TITLE
21 REQUIRED.

22 SECTION 8. Sections 501.022(a), (b), and (c),
23 Transportation Code, are amended to read as follows:

24 (a) The owner of a motor vehicle registered in this state:

25 (1) except as provided by Section 501.029, shall apply
26 for title to the vehicle; and

27 (2) may not operate or permit the operation of the

1 vehicle on a public highway until the owner obtains:

2 (A) [~~a certificate of~~] title and [~~for the vehicle~~
3 ~~or until the owner obtains~~] registration for the vehicle; or

4 (B) [~~if~~] a receipt evidencing title for
5 registration purposes only [~~to the vehicle is issued~~] under Section
6 501.029 [~~501.029(b)~~].

7 (b) A person may not operate a motor vehicle registered in
8 this state on a public highway if the person knows or has reason to
9 believe that the owner has not obtained a [~~certificate of~~] title for
10 the vehicle.

11 (c) The owner of a motor vehicle that is required to be
12 titled and registered in this state must obtain [~~apply for~~] a
13 [~~certificate of~~] title to [~~of~~] the vehicle before selling or
14 disposing of the vehicle.

15 SECTION 9. The heading to Section 501.023, Transportation
16 Code, is amended to read as follows:

17 Sec. 501.023. APPLICATION FOR [~~CERTIFICATE OF~~] TITLE.

18 SECTION 10. Section 501.023, Transportation Code, is
19 amended by amending Subsections (a), (b), and (c) and adding
20 Subsection (e) to read as follows:

21 (a) The owner of a motor vehicle must present identification
22 and apply for a [~~certificate of~~] title as prescribed by the
23 department, unless otherwise exempted by law. To obtain a title,
24 the owner must apply:

25 (1) to the county assessor-collector in the county in
26 which:

27 (A) the owner is domiciled; or

1 (B) the motor vehicle is purchased or encumbered;
2 or [and]

3 (2) if the county in which the owner resides has been
4 declared by the governor as a disaster area, to the county
5 assessor-collector in one of the closest unaffected counties to a
6 county that asks for assistance and:

7 (A) continues to be declared by the governor as a
8 disaster area because the county has been rendered inoperable by
9 the disaster; and

10 (B) is inoperable for a protracted period of time
11 [on a form prescribed by the department].

12 (b) The assessor-collector shall send the application to
13 the department or enter it into the department's titling system
14 within 72 [not later than 24] hours after receipt of [receiving] the
15 application.

16 (c) The owner or a lessee of a commercial motor vehicle
17 operating under the International Registration Plan or other
18 agreement described by Section 502.091 [502.054] that is applying
19 for a [certificate of] title for purposes of registration only may
20 apply [must be made] directly to the department. Notwithstanding
21 Section 501.138(a), an applicant for registration under this
22 subsection shall pay [the department] the fee imposed by that
23 section. The [department shall send the] fee shall be distributed
24 to the appropriate county assessor-collector [for distribution] in
25 the manner provided by Section 501.138.

26 (e) Applications submitted to the department electronically
27 must request the purchaser's choice of county as stated in

1 Subsection (a) as the recipient of all taxes, fees, and other
2 revenue collected as a result of the transaction.

3 SECTION 11. Sections 501.0234(a), (b), (d), and (e),
4 Transportation Code, are amended to read as follows:

5 (a) A person who sells at the first or a subsequent sale a
6 motor vehicle and who holds a general distinguishing number issued
7 under Chapter 503 of this code or Chapter 2301, Occupations Code,
8 shall:

9 (1) except as provided by this section, in the time and
10 manner provided by law, apply, in the name of the purchaser of the
11 vehicle, for the registration of the vehicle, if the vehicle is to
12 be registered, and a [~~certificate of~~] title for the vehicle and file
13 with the appropriate designated agent each document necessary to
14 transfer title to or register the vehicle; and at the same time

15 (2) remit any required motor vehicle sales tax.

16 (b) This section does not apply to a motor vehicle:

17 (1) that has been declared a total loss by an insurance
18 company in the settlement or adjustment of a claim;

19 (2) for which the [~~certificate of~~] title has been
20 surrendered in exchange for:

21 (A) a salvage vehicle title or salvage record of
22 title issued under this chapter;

23 (B) a nonrepairable vehicle title or
24 nonrepairable vehicle record of title issued under this chapter or
25 Subchapter D, Chapter 683; or

26 (C) [~~a certificate of authority issued under~~
27 ~~Subchapter D, Chapter 683; or~~

1 ~~[(D)]~~ an ownership document issued by another
2 state that is comparable to a document described by Paragraph (A) or
3 (B) ~~[Paragraphs (A)-(C)]~~;

4 (3) with a gross weight in excess of 11,000 pounds; or

5 (4) purchased by a commercial fleet buyer who is a
6 full-service deputy under Section 520.008 ~~[502.114]~~ and who
7 utilizes the dealer title application process developed to provide
8 a method to submit title transactions to the county in which the
9 commercial fleet buyer is a full-service deputy.

10 (d) A seller who applies for the registration or a
11 ~~[certificate of]~~ title for a motor vehicle under Subsection (a)(1)
12 shall apply in the county as directed by the purchaser from the
13 counties set forth in Section 501.023 ~~[of this code]~~.

14 (e) The department shall develop ~~[promulgate]~~ a form or
15 electronic process in ~~[on]~~ which the purchaser of a motor vehicle
16 shall designate the purchaser's choice as set out in Section
17 501.023 as the recipient of all taxes, fees, and other revenue
18 collected as a result of the transaction, which the tax
19 assessor-collector is authorized by law to retain. A seller shall
20 make that form or electronic process available to the purchaser of a
21 vehicle at the time of purchase.

22 SECTION 12. Subchapter B, Chapter 501, Transportation Code,
23 is amended by adding Section 501.0235 to read as follows:

24 Sec. 501.0235. PERSONAL IDENTIFICATION INFORMATION FOR
25 OBTAINING TITLE. (a) The department may require an applicant for a
26 title to provide current personal identification as determined by
27 department rule.

1 (b) Any identification number required by the department
2 under this section may be entered in the department's electronic
3 titling system but may not be printed on the title.

4 SECTION 13. Section 501.024, Transportation Code, is
5 amended to read as follows:

6 Sec. 501.024. TITLE RECEIPT. (a) A county
7 assessor-collector who receives an application for a [~~certificate~~
8 ~~of~~] title shall issue a title receipt to the applicant containing
9 the information concerning the motor vehicle required for issuance
10 of a title under Section 501.021 or Subchapter I [~~7~~] after:

11 (1) the requirements of this chapter are met,
12 including the payment of the fees required under Section 501.138;
13 and

14 (2) the [~~7~~ issue a title receipt on which is noted]
15 information is entered into the department's titling system
16 [~~concerning the motor vehicle required for the certificate of title~~
17 ~~under Section 501.021, including a statement of the existence of~~
18 ~~each lien as disclosed on the application or a statement that no~~
19 ~~lien is disclosed].~~

20 (b) If a lien is not disclosed on the application for a
21 [~~certificate of~~] title, the assessor-collector shall issue a [~~mark~~
22 ~~the~~] title receipt [~~"original" and deliver it~~] to the applicant.

23 (c) If a lien is disclosed on the application for a
24 [~~certificate of~~] title, the assessor-collector shall issue a
25 duplicate title receipt to the lienholder [~~receipts. The~~
26 ~~assessor-collector shall~~].

27 [~~(1) mark one receipt "original" and mail or deliver~~

1 ~~it to the first lienholder disclosed on the application, and~~
2 ~~[(2) mark the second receipt "duplicate original" and~~
3 ~~mail or deliver it to the address of the applicant provided on the~~
4 ~~application].~~

5 (d) A title receipt with registration or permit authorizes
6 the operation of the motor vehicle on a public highway in this state
7 for 10 days or until the [~~certificate of~~] title is issued, whichever
8 period is shorter.

9 SECTION 14. Section 501.025, Transportation Code, is
10 amended to read as follows:

11 Sec. 501.025. [~~TITLE RECEIPT REQUIRED ON FIRST SALE,~~]
12 MANUFACTURER'S CERTIFICATE REQUIRED ON FIRST SALE. A county
13 assessor-collector may not issue a title receipt on the first sale
14 of a motor vehicle unless the applicant for the [~~certificate of~~]
15 title provides [~~to the assessor-collector~~] the application for a
16 [~~certificate of~~] title and a manufacturer's certificate in [~~an~~] a
17 manner [~~form~~] prescribed by the department [~~that~~

18 [~~(1) is assigned to the applicant by the manufacturer,~~
19 ~~distributor, or dealer shown on the manufacturer's certificate as~~
20 ~~the last transferee, and~~

21 [~~(2) shows the transfer of the vehicle from its~~
22 ~~manufacturer to the purchaser, whether a distributor, dealer, or~~
23 ~~owner, and each subsequent transfer from distributor to dealer,~~
24 ~~dealer to dealer, and dealer to applicant].~~

25 SECTION 15. Section 501.027, Transportation Code, is
26 amended to read as follows:

27 Sec. 501.027. ISSUANCE OF [~~CERTIFICATE OF~~] TITLE. (a) On

1 the day that a county assessor-collector issues a title receipt, a
2 copy of the title receipt and all evidence of title [~~the~~
3 ~~assessor-collector~~] shall be submitted [~~mail~~] to the department in
4 the period specified in Section 501.023(b) [~~+~~

5 [~~(1) a copy of the receipt, and~~
6 [~~(2) the evidence of title delivered to the~~
7 ~~assessor-collector by the applicant~~].

8 (b) Not later than the fifth day after the date the
9 department receives an application for a [~~certificate of~~] title and
10 the department determines the requirements of this chapter are met:

11 (1) the [~~the department shall issue the certificate~~
12 ~~of~~] title shall be issued to the first lienholder or to the
13 applicant if [~~If~~] a lien is not disclosed on the application; or

14 (2) [~~the~~] the department shall notify [~~send the~~
15 ~~certificate by first class mail to~~] the applicant that the
16 department's titling system has established a record of title of
17 the motor vehicle in the applicant's name if a lien is not disclosed
18 [~~at the address provided on the application~~]. If a lien is
19 disclosed on the application, the department shall notify [~~send~~]
20 the [~~certificate by first class mail to the first~~] lienholder that
21 the lien has been recorded [~~as disclosed on the application~~].

22 SECTION 16. Section 501.0275, Transportation Code, is
23 amended to read as follows:

24 Sec. 501.0275. ISSUANCE OF TITLE FOR UNREGISTERED VEHICLE.
25 (a) The department shall issue a [~~certificate of~~] title for a
26 motor vehicle that complies with the other requirements [~~for~~
27 ~~issuance of a certificate of title~~] under this chapter unless

1 ~~[except that]~~:

2 (1) the vehicle is not registered for a reason other
3 than a reason provided by Section 501.051(a)(6) ~~[501.051(6)]~~; and

4 (2) the applicant does not provide evidence of
5 financial responsibility that complies with Section 502.046
6 ~~[502.153]~~.

7 (b) On application for a ~~[certificate of]~~ title under this
8 section, the applicant must surrender any license plates issued for
9 the motor vehicle if the plates are not being transferred to another
10 vehicle and any registration insignia for validation of those
11 plates to the department.

12 SECTION 17. Section 501.0276, Transportation Code, is
13 amended to read as follows:

14 Sec. 501.0276. DENIAL OF TITLE RECEIPT, ~~[OR CERTIFICATE OF]~~
15 TITLE, OR RECORD OF TITLE FOR FAILURE TO PROVIDE PROOF OF EMISSIONS
16 TESTING. A county assessor-collector may not issue a title receipt
17 and the department may not issue a certificate of title for a
18 vehicle subject to Section 548.3011 unless proof that the vehicle
19 has passed a vehicle emissions test as required by that section, in
20 a manner ~~[form]~~ authorized by that section, is presented to the
21 county assessor-collector with the application for a [certificate
22 ~~of]~~ title.

23 SECTION 18. Section 501.029, Transportation Code, is
24 amended to read as follows:

25 Sec. 501.029. ACCEPTABLE PROOF OF OWNERSHIP ~~[USE OF~~
26 ~~REGISTRATION RECEIPT OR TITLE RECEIPT TO EVIDENCE TITLE]~~. ~~[(a) A~~
27 ~~person may use a registration receipt issued under Chapter 502 or a~~

1 ~~title receipt to evidence title to a motor vehicle and not to~~
2 ~~transfer an interest in or establish a lien on the vehicle.~~

3 ~~[(b)]~~ The board ~~[department]~~ by rule may provide a list of
4 the documents required for the issuance of a receipt that evidences
5 title to a motor vehicle for registration purposes only. The fee
6 for application for the receipt is the fee applicable to
7 application for a ~~[certificate of]~~ title. The title receipt may not
8 be used to transfer an interest in or establish a lien on the
9 vehicle.

10 SECTION 19. Sections 501.030(b), (d), (e), (f), and (g),
11 Transportation Code, are amended to read as follows:

12 (b) Before a motor vehicle that was not manufactured for
13 sale or distribution in the United States may be titled in this
14 state, the applicant must:

15 (1) provide to the assessor-collector:

16 (A) a bond release letter, with all attachments,
17 issued by the United States Department of Transportation
18 acknowledging:

19 (i) receipt of a statement of compliance
20 submitted by the importer of the vehicle; and

21 (ii) that the statement meets the safety
22 requirements of 19 C.F.R. Section 12.80(e);

23 (B) a bond release letter, with all attachments,
24 issued by the United States Environmental Protection Agency stating
25 that the vehicle has been tested and shown to conform to federal
26 emission requirements; and

27 (C) a receipt or certificate issued by the United

1 States Department of the Treasury showing that all gas guzzler
2 taxes due on the vehicle under 26 U.S.C. Section 4064(a) have been
3 paid; or

4 (2) provide to the assessor-collector proof,
5 satisfactory to the department, [~~assessor-collector~~] that the
6 vehicle was not brought into the United States from outside [~~of~~] the
7 country.

8 (d) If a motor vehicle has not been titled or registered in
9 the United States, the application for [~~certificate of~~] title must
10 be accompanied by:

11 (1) a manufacturer's certificate of origin written in
12 English issued by the vehicle manufacturer;

13 (2) the original documents that constitute valid proof
14 of ownership in the country where the vehicle was originally
15 purchased, with an English translation of the documents verified as
16 to the accuracy of the translation by an affidavit of the
17 translator; or

18 (3) if the vehicle was imported from a country that
19 cancels the vehicle registration and title for export, the
20 documents assigned to the vehicle after the registration and title
21 were canceled, with an English translation of the documents
22 verified as to the accuracy of the translation by an affidavit of
23 the translator.

24 (e) Before a motor vehicle that is required to be registered
25 in this state and that is brought into this state by a person other
26 than a manufacturer or importer may be bargained, sold,
27 transferred, or delivered with an intent to pass an interest in the

1 vehicle or encumbered by a lien, the owner must apply for a
2 [~~certificate of~~] title in [~~an~~] a manner [~~form~~] prescribed by the
3 department to the county assessor-collector for the county in which
4 the transaction is to take place. The assessor-collector may not
5 issue a title receipt unless the applicant delivers to the
6 assessor-collector satisfactory evidence [~~of title~~] showing that
7 the applicant is the owner of the vehicle and that the vehicle is
8 free of any undisclosed liens.

9 (f) A county assessor-collector may not be held liable for
10 civil damages arising out of the assessor-collector's failure to
11 reflect on the title receipt a lien or encumbrance on a motor
12 vehicle to which Subsection (e) applies unless the
13 [~~assessor-collector's~~] failure constitutes wilful or wanton
14 negligence.

15 (g) Until an applicant has complied with this section:

16 (1) a county assessor-collector may not accept an
17 application for [~~certificate of~~] title; and

18 (2) the applicant is not entitled to an appeal as
19 provided by Sections 501.052 and 501.053.

20 SECTION 20. Section 501.031, Transportation Code, is
21 amended to read as follows:

22 Sec. 501.031. RIGHTS OF SURVIVORSHIP AGREEMENT. (a) The
23 department shall include on each [~~certificate of~~] title an optional
24 [~~a~~] rights of survivorship agreement that [~~form. The form must~~]:

25 (1) provides [~~provide~~] that if the agreement is
26 between [~~signed by~~] two or more eligible persons, the motor vehicle
27 is held jointly by those persons with the interest of a person who

1 dies to transfer [~~survive~~] to the surviving person or persons; and

2 (2) provides [~~provide blanks~~] for the acknowledgment
3 by signature, either electronically or by hand, [~~signatures~~] of the
4 persons.

5 (b) If the vehicle is registered in the name of one or more
6 of the persons who acknowledged [~~signed~~] the agreement, the
7 [~~certificate of~~] title may contain a:

8 (1) rights of survivorship agreement acknowledged
9 [~~signed~~] by all the persons; or

10 (2) remark if a rights of survivorship agreement is
11 [~~surrendered with the application for certificate of title or~~
12 ~~otherwise~~] on file with the department.

13 (c) Ownership [~~Except as provided in Subsection (g),~~
14 ~~ownership~~] of the vehicle may be transferred only:

15 (1) by all the persons acting jointly, if all the
16 persons are alive; and

17 (2) on the death of one of the persons by the surviving
18 person or persons by transferring ownership of the vehicle [~~the~~
19 ~~certificate of title~~], in the manner otherwise required by law [~~for~~
20 ~~transfer of ownership of the vehicle~~], with a copy of the death
21 certificate of the deceased person [~~attached to the certificate of~~
22 ~~title application~~].

23 (d) A rights of survivorship agreement under this section
24 may be revoked only if [~~by surrender of the certificate of title to~~
25 ~~the department and joint application by~~] the persons named in [~~who~~
26 ~~signed~~] the agreement file a joint application for a new title in
27 the name of the person or persons designated in the application.

1 (e) A person is eligible to file [~~sign~~] a rights of
2 survivorship agreement under this section if the person:

3 (1) is married and the spouse of the [~~signing~~] person
4 is the only other party to the agreement;

5 (2) is unmarried and attests to that unmarried status
6 by affidavit; or

7 (3) is married and provides the department with an
8 affidavit from the [~~signing~~] person's spouse that attests that the
9 [~~signing~~] person's interest in the vehicle is the [~~signing~~]
10 person's separate property.

11 (f) The department may develop an optional electronic [~~If~~
12 ~~the title is being issued in connection with the sale of the~~
13 ~~vehicle, the seller is not eligible to sign a~~] rights of
14 survivorship agreement for public use [~~under this section unless~~
15 ~~the seller is the child, grandchild, parent, grandparent, brother,~~
16 ~~or sister of each other person signing the agreement. A family~~
17 ~~relationship required by this subsection may be a relationship~~
18 ~~established by adoption.~~

19 [~~(g) If an agreement, other than the agreement provided for~~
20 ~~in Subsection (a), providing for right of survivorship is signed by~~
21 ~~two or more persons, the department shall issue a new certificate of~~
22 ~~title to the surviving person or persons upon application~~
23 ~~accompanied by a copy of the death certificate of the deceased~~
24 ~~person. The department may develop for public use under this~~
25 ~~subsection an optional rights of survivorship agreement form].~~

26 SECTION 21. Section 501.032, Transportation Code, is
27 amended to read as follows:

1 Sec. 501.032. ASSIGNMENT OF VEHICLE IDENTIFICATION
2 ~~[SERIAL]~~ NUMBER BY DEPARTMENT. (a) On proper application, the
3 department shall assign a vehicle identification ~~[a serial]~~ number
4 to a travel ~~[house]~~ trailer, a trailer or semitrailer that has a
5 gross vehicle weight that exceeds 4,000 pounds, or an item of
6 equipment, including a tractor, farm implement, unit of special
7 mobile equipment, or unit of off-road construction equipment on
8 which:

9 (1) a vehicle identification ~~[a serial]~~ number was not
10 die-stamped by the manufacturer; or

11 (2) a vehicle identification ~~[the serial]~~ number
12 die-stamped by the manufacturer has been lost, removed, or
13 obliterated.

14 (b) The applicant shall die-stamp the assigned vehicle
15 identification ~~[serial]~~ number at the place designated by the
16 department on the travel ~~[house]~~ trailer, trailer, semitrailer, or
17 equipment.

18 (c) The manufacturer's vehicle identification ~~[serial]~~
19 number or the vehicle identification ~~[serial]~~ number assigned by
20 the department shall be affixed on the carriage or axle part of the
21 travel ~~[house]~~ trailer, trailer, or semitrailer. The department
22 shall use the number as the major identification of the vehicle in
23 the issuance of a ~~[certificate of]~~ title.

24 SECTION 22. Sections 501.033(a), (b), and (d),
25 Transportation Code, are amended to read as follows:

26 (a) A person determined by law enforcement ~~[the department]~~
27 or a court to be the owner of a motor vehicle, a part of a motor

1 vehicle, or an item of equipment including a tractor, farm
2 implement, unit of special mobile equipment, or unit of off-road
3 construction equipment [~~that has had the serial number removed,~~
4 ~~altered, or obliterated~~] may apply to the department for an
5 assigned vehicle identification number that has been removed,
6 altered, or obliterated.

7 (b) An application under this section must be in [~~on~~] a
8 manner [~~form~~] prescribed [~~and furnished~~] by the department and
9 accompanied by [~~the certificate of title for the vehicle or other~~]
10 valid evidence of ownership as required by the department [~~if there~~
11 ~~is no certificate of title~~].

12 (d) The assigned vehicle identification number shall be
13 die-stamped or otherwise affixed [~~to the motor vehicle, part, or~~
14 ~~item of equipment at the location and~~] in the manner designated by
15 the department.

16 SECTION 23. Section 520.011, Transportation Code, is
17 transferred to Subchapter B, Chapter 501, Transportation Code,
18 redesignated as Section 501.0331, Transportation Code, and amended
19 to read as follows:

20 Sec. 501.0331 [~~520.011~~]. MOTOR NUMBER REQUIRED FOR
21 [~~VEHICLE~~] REGISTRATION [~~, PENALTY~~]. [~~(a)~~] A person may not apply
22 to the county assessor-collector for the registration of a motor
23 vehicle from which the original motor number has been removed,
24 erased, or destroyed until the motor vehicle bears the motor number
25 assigned by the department.

26 [~~(b) A person commits an offense if the person violates this~~
27 ~~section. An offense under this subsection is a misdemeanor~~

1 ~~punishable by a fine of not less than \$50 and not more than \$100.]~~

2 SECTION 24. Section 520.012, Transportation Code, is
3 transferred to Subchapter B, Chapter 501, Transportation Code,
4 redesignated as Section 501.0332, Transportation Code, and amended
5 to read as follows:

6 Sec. 501.0332 [~~520.012~~]. APPLICATION FOR MOTOR NUMBER
7 RECORD[~~, RECORD, PENALTY~~]. (a) To obtain a motor number assigned
8 by the department, the owner of a motor vehicle that has had the
9 original motor number removed, erased, or destroyed must file a
10 sworn application with the department.

11 (b) The department shall maintain a record of [~~separate~~
12 ~~register for recording~~] each motor number assigned by the
13 department that includes [~~For each motor number assigned by the~~
14 ~~department, the record must indicate~~]:

- 15 (1) the motor number assigned by the department;
16 (2) the name and address of the owner of the motor
17 vehicle; and
18 (3) the make, model, and year of manufacture of the
19 motor vehicle.

20 [~~(c) A person who fails to comply with this section commits~~
21 ~~an offense. An offense under this subsection is a misdemeanor~~
22 ~~punishable by a fine of not less than \$10 and not more than \$100.]~~

23 SECTION 25. Section 501.034, Transportation Code, is
24 amended to read as follows:

25 Sec. 501.034. ISSUANCE OF TITLE TO GOVERNMENT AGENCY. The
26 department may issue a [~~certificate of~~] title to a government
27 agency if a vehicle or part of a vehicle is:

- 1 (1) forfeited to the government agency;
- 2 (2) delivered by court order under the Code of
3 Criminal Procedure to a government agency for official purposes; or
- 4 (3) sold as abandoned or unclaimed property under the
5 Code of Criminal Procedure.

6 SECTION 26. Section 501.035, Transportation Code, is
7 amended to read as follows:

8 Sec. 501.035. [~~CERTIFICATE OF~~] TITLE FOR FORMER MILITARY
9 VEHICLE. (a) Notwithstanding any other law, the department shall
10 issue a [~~certificate of~~] title for a former military vehicle [~~that~~
11 ~~is not registered under the laws of this state~~] if all [~~other~~]
12 requirements for issuance of a [~~certificate of~~] title are met.

13 (b) In this section, "former military vehicle" has the
14 meaning assigned by Section 504.502(i) [~~502.275(e)~~].

15 SECTION 27. Section 501.036, Transportation Code, is
16 amended to read as follows:

17 Sec. 501.036. [~~CERTIFICATE OF~~] TITLE FOR FARM SEMITRAILER.

18 (a) Notwithstanding any other provision of this chapter, the
19 department may issue a [~~certificate of~~] title for a farm
20 semitrailer with a gross weight of more than 4,000 pounds if:

21 (1) the farm semitrailer is eligible for registration
22 under Section 502.146 [~~504.504~~]; and

23 (2) all other requirements for issuance of a
24 [~~certificate of~~] title are met.

25 (b) To obtain a [~~certificate of~~] title under this section,
26 the owner of the farm semitrailer must:

27 (1) apply for the [~~certificate of~~] title in the manner

1 required by Section 501.023; and

2 (2) pay the fee required by Section 501.138.

3 (c) The department shall adopt rules [~~and forms~~] to
4 implement and administer this section.

5 SECTION 28. Section 501.051, Transportation Code, is
6 amended to read as follows:

7 Sec. 501.051. GROUNDS FOR REFUSAL TO ISSUE OR FOR
8 REVOCATION OR SUSPENSION OF TITLE [CERTIFICATE]. (a) A title may
9 be refused, canceled, suspended, or revoked by the [The] department
10 [shall refuse to issue a certificate of title or shall suspend or
11 revoke a certificate of title] if:

12 (1) the application [~~for the certificate~~] contains a
13 false or fraudulent statement;

14 (2) the applicant failed to furnish required
15 information requested by the department;

16 (3) the applicant is not entitled to a [~~certificate~~
17 ~~of~~] title;

18 (4) the department has reason to believe that the
19 motor vehicle is stolen;

20 (5) the department has reason to believe that the
21 issuance of a [~~certificate of~~] title would defraud the owner or a
22 lienholder of the motor vehicle;

23 (6) the registration for the motor vehicle is
24 suspended or revoked; or

25 (7) the required fee has not been paid.

26 (b) The department may rescind, cancel, or revoke an
27 application for a title if a notarized affidavit is presented

1 containing:

2 (1) a statement that the vehicle involved was a new
3 motor vehicle in the process of a first sale;

4 (2) a statement that the dealer, the applicant, and
5 any lienholder have canceled the sale;

6 (3) a statement that the vehicle:

7 (A) was never in the possession of the title
8 applicant; or

9 (B) was in the possession of the title applicant;

10 and

11 (4) the signatures of the dealer, the applicant, and
12 any lienholder.

13 (c) A rescission, cancellation, or revocation containing
14 the statement authorized under Subsection (b)(3)(B) does not negate
15 the fact that the vehicle has been the subject of a previous retail
16 sale.

17 SECTION 29. The heading to Section 501.052, Transportation
18 Code, is amended to read as follows:

19 Sec. 501.052. HEARING ON REFUSAL TO ISSUE OR REVOCATION OR
20 SUSPENSION OF [~~CERTIFICATE OF~~] TITLE; APPEAL.

21 SECTION 30. Sections 501.052(a), (d), and (e),
22 Transportation Code, are amended to read as follows:

23 (a) An interested person aggrieved by a refusal,
24 rescission, cancellation, suspension, or revocation under Section
25 501.051 may apply for a hearing to the county assessor-collector
26 for the county in which the person is a resident [~~domiciled~~]. On
27 the day an assessor-collector receives the application, the

1 assessor-collector shall notify the department of the date of the
2 hearing.

3 (d) A determination of the assessor-collector is binding on
4 the applicant and the department as to whether the department
5 correctly refused to issue or correctly rescinded, canceled,
6 revoked, or suspended the [~~certificate of~~] title.

7 (e) An applicant aggrieved by the determination under
8 Subsection (d) may appeal to the county court of the county of the
9 applicant's residence. An applicant must file an appeal not later
10 than the fifth day after the date of the assessor-collector's
11 determination. The county court judge shall try the appeal in the
12 manner of other civil cases. All rights and immunities granted in
13 the trial of a civil case are available to the interested parties.
14 If the department's action is not sustained, the department shall
15 promptly issue a [~~certificate of~~] title for the vehicle.

16 SECTION 31. Section 501.053, Transportation Code, is
17 amended by amending Subsections (a), (b), and (d) and adding
18 Subsection (e) to read as follows:

19 (a) As an alternative to the procedure provided by Section
20 501.052, the person may file a bond with the department. On the
21 filing of the bond the person.[~~department~~] may obtain a [~~issue the~~
22 ~~certificate of~~] title.

23 (b) The bond must be:

- 24 (1) in the manner [~~form~~] prescribed by the department;
25 (2) executed by the applicant;
26 (3) issued by a person authorized to conduct a surety
27 business in this state;

1 (4) in an amount equal to one and one-half times the
2 value of the vehicle as determined by the department, which may set
3 an appraisal system by rule if it is unable to determine that value;
4 and

5 (5) conditioned to indemnify all prior owners and
6 lienholders and all subsequent purchasers of the vehicle or persons
7 who acquire a security interest in the vehicle, and their
8 successors in interest, against any expense, loss, or damage,
9 including reasonable attorney's fees, occurring because of the
10 issuance of the [~~certificate of~~] title for the vehicle or for a
11 defect in or undisclosed security interest on the right, title, or
12 interest of the applicant to the vehicle.

13 (d) A bond under this section expires on the third
14 anniversary of the date the bond became effective. [~~The department~~
15 ~~shall return an expired bond to the person who filed the bond unless~~
16 ~~the department has been notified of a pending action to recover on~~
17 ~~the bond.~~]

18 (e) The board by rule may establish a fee to cover the cost
19 of administering this section.

20 SECTION 32. Section 501.071, Transportation Code, is
21 amended to read as follows:

22 Sec. 501.071. SALE OF VEHICLE; TRANSFER OF TITLE. (a)
23 Except as provided in Section 503.039, a motor vehicle may not be
24 the subject of a subsequent sale unless the owner designated on [~~in~~]
25 the [~~certificate of~~] title submits a transfer of ownership of
26 [~~transfers~~] the [~~certificate of~~] title [~~at the time of the sale~~].

27 (b) The transfer of the [~~certificate of~~] title must be in

1 [~~on~~] a manner [~~form~~] prescribed by the department that [~~includes a~~
2 ~~statement that~~]:

3 (1) certifies the purchaser [~~signer~~] is the owner of
4 the vehicle; and

5 (2) certifies there are no liens on the vehicle or
6 provides a release of each lien [~~except as shown~~] on the vehicle
7 [~~certificate of title or as fully described in the statement~~].

8 SECTION 33. Section 520.022, Transportation Code, is
9 transferred to Subchapter D, Chapter 501, Transportation Code,
10 redesignated as Section 501.0721, Transportation Code, and amended
11 to read as follows:

12 Sec. 501.0721 [~~520.022~~]. DELIVERY OF RECEIPT AND TITLE TO
13 PURCHASER OF USED MOTOR VEHICLE [~~TRANSFEREE, PENALTY~~]. [~~(a)~~] A
14 person, whether acting for that person or another, who sells,
15 trades, or otherwise transfers a used motor vehicle shall deliver
16 to the purchaser [~~transferee~~] at the time of delivery of the vehicle
17 [+

18 [~~(1) the license receipt issued by the department for~~
19 ~~registration of the vehicle, if the vehicle was required to be~~
20 ~~registered at the time of the delivery, and~~

21 [~~(2)~~] a properly assigned [~~certificate of~~] title or
22 other evidence of title as required under this chapter [~~Chapter~~
23 ~~501~~].

24 [~~(b) A person commits an offense if the person violates this~~
25 ~~section. An offense under this subsection is a misdemeanor~~
26 ~~punishable by a fine not to exceed \$200.~~]

27 SECTION 34. Sections 501.074(a), (b), and (c),

1 Transportation Code, are amended to read as follows:

2 (a) The department shall issue a new [~~certificate of~~] title
3 for a motor vehicle registered in this state for which the ownership
4 is transferred by operation of law [~~, including by inheritance,~~
5 ~~devise or bequest, bankruptcy, receivership, judicial sale,~~] or
6 other involuntary divestiture of ownership after receiving:

7 (1) a certified copy of an [~~the~~] order appointing a
8 temporary administrator or of the probate proceedings;

9 (2) letters testamentary or letters of
10 administration;

11 (3) if administration of an estate is not necessary,
12 an affidavit showing that administration is not necessary,
13 identifying all heirs, and including a statement by the heirs of the
14 name in which the certificate shall be issued;

15 (4) a court order; or

16 (5) the bill of sale from an officer making a judicial
17 sale.

18 (b) If a lien is foreclosed by nonjudicial means, the
19 department may issue a new [~~certificate of~~] title in the name of the
20 purchaser at the foreclosure sale on receiving the affidavit of the
21 lienholder of the fact of the nonjudicial foreclosure.

22 (c) If a constitutional or statutory lien is foreclosed, the
23 department may issue a new [~~certificate of~~] title in the name of the
24 purchaser at the foreclosure sale on receiving:

25 (1) the affidavit of the lienholder of the fact of the
26 creation of the lien and of the divestiture of title according to
27 law; and

1 (2) proof of notice as required by Sections 70.004 and
2 70.006, Property Code.

3 SECTION 35. Section 501.076(c), Transportation Code, is
4 amended to read as follows:

5 (c) The person named as the agent in the limited power of
6 attorney must meet the following requirements:

7 (1) the person may be a person who has been appointed
8 by the commissioners [~~commissioner's~~] court as a deputy to perform
9 vehicle registration functions under Section 520.0091 [~~502.112~~], a
10 licensed [~~license~~] vehicle auction company holding a wholesale
11 general distinguishing number under Section 503.022, a person who
12 has a permit similar to one of the foregoing that is issued by the
13 state in which the owner is located, or another person authorized by
14 law to execute title documents in the state in which the owner
15 executes the documents; and

16 (2) the person may not be the transferee or an employee
17 of the transferee. The person may not act as the agent of both the
18 transferor and transferee in the transaction. For the purposes of
19 this section, a person is not the agent of both the transferor and
20 transferee in a transaction unless the person has the authority to
21 sign the documents pertaining to the transfer of title on behalf of
22 both the transferor and the transferee.

23 SECTION 36. Section 501.091, Transportation Code, is
24 amended by amending Subdivisions (2), (3), (6), (7), (8), (9),
25 (10), (12), (14), (15), (16), (17), and (18) and adding
26 Subdivisions (10-a) and (16-a) to read as follows:

27 (2) "Casual sale" means the sale by a salvage vehicle

1 dealer or an insurance company of five or fewer [~~not more than five~~]
2 nonrepairable motor vehicles or salvage motor vehicles to the same
3 person during a calendar year, but [~~The term~~] does not include:

4 (A) a sale at auction to a salvage vehicle
5 dealer; [~~or~~]

6 (B) a sale to an insurance company, out-of-state
7 buyer, or governmental entity; or

8 (C) the sale of an export-only motor vehicle to a
9 person who is not a resident of the United States.

10 (3) "Damage" means sudden damage to a motor vehicle
11 caused by the motor vehicle being wrecked, burned, flooded, or
12 stripped of major component parts. The term does not include:

13 (A) gradual damage from any cause;

14 (B) [~~r~~] sudden damage caused by hail;

15 (C) [~~r-or~~] any damage caused only to the exterior
16 paint of the motor vehicle; or

17 (D) theft, unless the motor vehicle was damaged
18 during the theft and before recovery.

19 (6) "Major component part" means one of the following
20 parts of a motor vehicle:

21 (A) the engine;

22 (B) the transmission;

23 (C) the frame;

24 (D) a fender;

25 (E) the hood;

26 (F) a door allowing entrance to or egress from
27 the passenger compartment of the motor vehicle;

- 1 (G) a bumper;
- 2 (H) a quarter panel;
- 3 (I) a deck lid, tailgate, or hatchback;
- 4 (J) the cargo box of a vehicle with a gross
5 vehicle weight of 10,000 pounds or less [~~one-ton or smaller truck~~],
6 including a pickup truck;
- 7 (K) the cab of a truck;
- 8 (L) the body of a passenger motor vehicle;
- 9 (M) the roof, or floor pan of a passenger motor
10 vehicle, if separate from the body of the motor vehicle.

11 (7) "Metal recycler" means a person who:

12 (A) is [~~predominately~~] engaged in the business of
13 obtaining, converting, or selling ferrous or nonferrous metal [~~that~~
14 ~~has served its original economic purpose to convert the metal, or~~
15 ~~sell the metal~~] for conversion[~~7~~] into raw material products
16 consisting of prepared grades and having an existing or potential
17 economic value;

18 (B) has a facility to convert ferrous or
19 nonferrous metal into raw material products [~~consisting of prepared~~
20 ~~grades and having an existing or potential economic value,~~] by
21 method other than the exclusive use of hand tools, including the
22 processing, sorting, cutting, classifying, cleaning, baling,
23 wrapping, shredding, shearing, or changing the physical form or
24 chemical content of the metal; and

25 (C) sells or purchases the ferrous or nonferrous
26 metal solely for use as raw material in the production of new
27 products.

1 (8) "Motor vehicle" has the meaning assigned by
2 Section 501.002 [~~501.002(14)~~].

3 (9) "Nonrepairable motor vehicle" means a motor
4 vehicle that:

5 (A) is damaged, wrecked, or burned to the extent
6 that the only residual value of the vehicle is as a source of parts
7 or scrap metal; or

8 (B) comes into this state under a comparable
9 [~~title or other~~] ownership document that indicates that the vehicle
10 is nonrepairable [~~, junked, or for parts or dismantling only~~].

11 (10) "Nonrepairable vehicle title" means a printed
12 document issued by the department that evidences ownership of a
13 nonrepairable motor vehicle.

14 (10-a) "Nonrepairable record of title" means an
15 electronic record of ownership of a nonrepairable motor vehicle.

16 (12) "Out-of-state ownership document" means a
17 negotiable document issued by another state or jurisdiction that
18 the department considers sufficient to prove ownership of a
19 nonrepairable motor vehicle or salvage motor vehicle and to support
20 the issuance of a comparable Texas [~~certificate of~~] title for the
21 motor vehicle. The term does not include any [~~a~~] title or
22 certificate issued by the department [~~, including a regular~~
23 ~~certificate of title, a nonrepairable vehicle title, a salvage~~
24 ~~vehicle title, a Texas Salvage Certificate, Certificate of~~
25 ~~Authority to Demolish a Motor Vehicle, or another ownership~~
26 ~~document issued by the department~~].

27 (14) "Rebuilder" means a person who acquires and

1 repairs, rebuilds, or reconstructs for operation on a public
2 highway, [~~three or~~] more than five salvage motor vehicles in a
3 calendar year.

4 (15) "Salvage motor vehicle" [+

5 [~~(A)~~] means a motor vehicle that:

6 (A) [~~(i)~~] has damage to or is missing a major
7 component part to the extent that the cost of repairs, including
8 parts and labor other than the cost of materials and labor for
9 repainting the motor vehicle and excluding sales tax on the total
10 cost of repairs, exceeds the actual cash value of the motor vehicle
11 immediately before the damage; or

12 (B) [~~(ii) is damaged and that~~] comes into this
13 state under an out-of-state salvage motor vehicle [~~certificate of~~]
14 title or similar out-of-state ownership document [~~that states on~~
15 ~~its face "accident damage," "flood damage," "inoperable,"~~
16 ~~"rebuildable," "salvageable," or similar notation, and~~

17 [~~(B) does not include an out-of-state motor~~
18 ~~vehicle with a "rebuilt," "prior salvage," "salvaged," or similar~~
19 ~~notation, a nonrepairable motor vehicle, or a motor vehicle for~~
20 ~~which an insurance company has paid a claim for.~~

21 [~~(i) the cost of repairing hail damage, or~~

22 [~~(ii) theft, unless the motor vehicle was~~
23 ~~damaged during the theft and before recovery to the extent~~
24 ~~described by Paragraph (A)(i)].~~

25 (16) "Salvage vehicle title" means a printed document
26 issued by the department that evidences ownership of a salvage
27 motor vehicle.

1 (16-a) "Salvage record of title" means an electronic
2 record of ownership of a salvage motor vehicle.

3 (17) "Salvage vehicle dealer" means a person engaged
4 in this state in the business of acquiring, selling, repairing,
5 rebuilding, reconstructing, or otherwise dealing in nonrepairable
6 motor vehicles, salvage motor vehicles, or, if incidental to a
7 salvage motor vehicle dealer's primary business, used automotive
8 parts regardless of whether the person holds a license issued by the
9 department to engage in that business. The term does not include an
10 unlicensed [a] person who:

11 (A) casually repairs, rebuilds, or reconstructs
12 not more [fewer] than five nonrepairable motor vehicles or salvage
13 motor vehicles in the same calendar year [or, except as provided by
14 Paragraph (C), a used automotive parts recycler. The term includes
15 a person engaged in the business of:

16 ~~[(A) a salvage vehicle dealer, regardless of~~
17 ~~whether the person holds a license issued by the department to~~
18 ~~engage in that business];~~

19 (B) buys not more than five [dealing in]
20 nonrepairable motor vehicles or salvage motor vehicles in the same
21 calendar year; or

22 (C) is a licensed used automotive parts recycler
23 if the sale of repaired, rebuilt, or reconstructed nonrepairable
24 motor vehicles or salvage motor vehicles is more than an incidental
25 part of the used automotive parts recycler's business.

26 (18) "Self-insured motor vehicle" means a motor
27 vehicle for which the ~~[evidence of ownership is a manufacturer's~~

1 ~~certificate of origin or for which the department or another state~~
2 ~~or jurisdiction has issued a regular certificate of title, is~~
3 ~~self-insured by the] owner [, and is owned by an individual, a~~
4 ~~business,]~~ or a governmental entity assumes full financial
5 responsibility for motor vehicle loss claims[.] without regard to
6 the number of motor vehicles they own or operate. The term does not
7 include a motor vehicle that is insured by an insurance company.

8 SECTION 37. Section 501.098, Transportation Code, is
9 redesignated as Section 501.09111, Transportation Code, and
10 amended to read as follows:

11 Sec. 501.09111 [~~501.098~~]. RIGHTS AND LIMITATIONS OF [HOLDER
12 OF] NONREPAIRABLE VEHICLE TITLE, NONREPAIRABLE RECORD OF TITLE,
13 [OR] SALVAGE VEHICLE TITLE, OR SALVAGE RECORD OF TITLE. (a) A
14 person who owns [~~holds~~] a nonrepairable [~~vehicle title for a~~] motor
15 vehicle:

16 (1) is entitled to possess, transport, dismantle,
17 scrap, destroy, record a lien as provided for in Section
18 501.097(a)(3)(A), and sell, transfer, or release ownership of the
19 motor vehicle or a used part from the motor vehicle; and

20 (2) may not:

21 (A) operate or permit the operation of the motor
22 vehicle on a public highway, in addition to any other requirement of
23 law;

24 (B) repair, rebuild, or reconstruct the motor
25 vehicle; or

26 (C) register the motor vehicle.

27 (b) A person who holds a nonrepairable certificate of title

1 issued prior to September 1, 2003, [+

2 [~~1~~] is entitled to the same rights listed in
3 Subsection (a) and may [+

4 [~~A~~] repair, rebuild, or reconstruct the motor
5 vehicle [+

6 [~~B~~] ~~possess, transport, dismantle, scrap, or~~
7 ~~destroy the motor vehicle, and~~

8 [~~C~~] ~~sell, transfer, or release ownership of the~~
9 ~~vehicle or a used part from the motor vehicle, and~~

10 [~~2~~] ~~may not~~+

11 [~~A~~] ~~operate or permit the operation of the motor~~
12 ~~vehicle on a public highway, in addition to any other requirement of~~
13 ~~law, or~~

14 [~~B~~] ~~register the motor vehicle~~].

15 (c) A person who owns [~~holds~~] a salvage [~~vehicle title for~~
16 ~~a~~] motor vehicle:

17 (1) is entitled to possess, transport, dismantle,
18 scrap, destroy, repair, rebuild, reconstruct, record a lien on, and
19 sell, transfer, or release ownership of the motor vehicle or a used
20 part from the motor vehicle; and

21 (2) may not operate, register, or permit the operation
22 of the motor vehicle on a public highway, in addition to any other
23 requirement of law.

24 SECTION 38. Section 501.103, Transportation Code, is
25 redesignated as Section 501.09112, Transportation Code, and
26 amended to read as follows:

27 Sec. 501.09112 [~~501.103~~]. APPEARANCE [~~COLOR~~] OF

1 NONREPAIRABLE VEHICLE TITLE OR SALVAGE VEHICLE TITLE. (a) The
2 department's printed [~~department shall print a~~] nonrepairable
3 vehicle title must [+

4 [~~(1) in a color that distinguishes it from a regular~~
5 ~~certificate of title or salvage vehicle title, and~~

6 [(2) ~~so that it~~] clearly indicate [~~shows~~] that it is
7 the negotiable ownership document for a nonrepairable motor
8 vehicle.

9 (b) A nonrepairable vehicle title must clearly indicate
10 [~~state on its face~~] that the motor vehicle:

11 (1) may not be:

12 (A) issued a regular [~~certificate of~~] title;

13 (B) registered in this state; or

14 (C) repaired, rebuilt, or reconstructed; and

15 (2) may be used only as a source for used parts or
16 scrap metal.

17 (c) The department's printed [~~department shall print a~~]
18 salvage vehicle title must [+

19 [~~(A) in a color that distinguishes it from a~~
20 ~~regular certificate of title or nonrepairable vehicle title, and~~

21 [~~(B) so that each document~~] clearly show [~~shows~~]
22 that it is the ownership document for a salvage motor vehicle.

23 (d) A salvage vehicle title or a salvage record of title for
24 a vehicle that is a salvage motor vehicle because of damage caused
25 exclusively by flood must bear a notation [~~on its face~~] that the
26 department considers appropriate. If the title for a motor vehicle
27 reflects the notation required by this subsection, the owner may

1 sell, transfer, or release the motor vehicle only as provided by
2 this subchapter.

3 (e) An electronic application for a nonrepairable vehicle
4 title, nonrepairable record of title, salvage vehicle title, or
5 salvage record of title must clearly advise the applicant of the
6 same provisions required on a printed title.

7 (f) A nonrepairable vehicle title, nonrepairable record of
8 title, salvage vehicle title, or salvage record of title in the
9 department's electronic database must include appropriate remarks
10 so that the vehicle record clearly shows the status of the vehicle
11 ~~[(e) The department may provide a stamp to a person who is a~~
12 ~~licensed salvage vehicle dealer under Chapter 2302, Occupations~~
13 ~~Code, to mark the face of a title under this subchapter. The~~
14 ~~department shall provide the stamp to the person for a fee in the~~
15 ~~amount determined by the department to be necessary for the~~
16 ~~department to recover the cost of providing the stamp].~~

17 SECTION 39. Section 501.101, Transportation Code, is
18 redesignated as Section 501.09113, Transportation Code, and
19 amended to read as follows:

20 Sec. 501.09113 ~~[501.101]~~. OUT-OF-STATE SALVAGE OR REBUILT
21 SALVAGE VEHICLE ~~[ISSUANCE OF TITLE TO MOTOR VEHICLE BROUGHT INTO~~
22 ~~STATE]~~. (a) This section applies only to a motor vehicle brought
23 into this state from another state or jurisdiction that has on any
24 ~~[certificate of]~~ title or comparable out-of-state ownership
25 document issued by the other state or jurisdiction:

- 26 (1) a "rebuilt," "salvage," or similar notation; or
27 (2) a "nonrepairable," "dismantle only," "parts

1 only," "junked," "scrapped," or similar notation.

2 (b) On receipt of a complete application from the owner of
3 the motor vehicle, the department shall issue the applicant the
4 appropriate [~~certificate of~~] title for the motor vehicle.

5 [~~(c) A certificate of title issued under this section must
6 show on its face:~~

7 [~~(1) the date of issuance,~~

8 [~~(2) the name and address of the owner,~~

9 [~~(3) any registration number assigned to the motor
10 vehicle, and~~

11 [~~(4) a description of the motor vehicle or other
12 notation the department considers necessary or appropriate.]~~

13 SECTION 40. The heading to Section 501.095, Transportation
14 Code, is amended to read as follows:

15 Sec. 501.095. SALE, TRANSFER, OR RELEASE [~~OF NONREPAIRABLE
16 MOTOR VEHICLE OR SALVAGE MOTOR VEHICLE~~].

17 SECTION 41. Sections 501.095(a) and (b), Transportation
18 Code, are amended to read as follows:

19 (a) If the department has not issued a nonrepairable vehicle
20 title, nonrepairable record of title, [~~ex~~] salvage vehicle title,
21 or salvage record of title for the motor vehicle and a comparable
22 [~~an~~] out-of-state ownership document for the motor vehicle has not
23 been issued by another state or jurisdiction, a business or
24 governmental entity described by Subdivisions (1)-(3) may sell,
25 transfer, or release a nonrepairable motor vehicle or salvage motor
26 vehicle only to a person who is:

27 (1) a licensed salvage vehicle dealer, a used

1 automotive parts recycler under Chapter 2309, Occupations Code, or
2 a metal recycler under Chapter 2302, Occupations Code;

3 (2) an insurance company that has paid a claim on the
4 nonrepairable or salvage motor vehicle; or

5 (3) a governmental entity~~[, or~~

6 [~~(4) an out-of-state buyer~~].

7 (b) An owner [~~A person~~], other than a salvage vehicle
8 dealer, a used automotive parts recycler, or an insurance company
9 licensed to do business in this state, who acquired ownership of a
10 nonrepairable or salvage motor vehicle that has not been issued a
11 nonrepairable vehicle title, nonrepairable record of title,
12 salvage vehicle title, salvage record of title, or a comparable
13 ownership document issued by another state or jurisdiction shall,
14 before selling the motor vehicle, surrender the properly assigned
15 [~~certificate of~~] title for the motor vehicle to the department and
16 apply to the department for the appropriate ownership document [+

17 [~~(1) a nonrepairable vehicle title if the vehicle is a~~
18 ~~nonrepairable motor vehicle, or~~

19 [~~(2) a salvage vehicle title if the vehicle is a~~
20 ~~salvage motor vehicle~~].

21 SECTION 42. Section 501.097, Transportation Code, is
22 amended by amending Subsections (a) and (c) and adding Subsection
23 (c-1) to read as follows:

24 (a) An application for a nonrepairable vehicle title,
25 nonrepairable record of title, [~~or~~] salvage vehicle title, or
26 salvage record of title must:

27 (1) be made in [~~on~~] a manner [~~form~~] prescribed by the

1 department and accompanied by a \$8 application fee;

2 (2) include, in addition to any other information
3 required by the department:

4 (A) the name and current address of the owner;
5 and

6 (B) a description of the motor vehicle, including
7 the make, style of body, model year, and vehicle identification
8 number [~~, and~~

9 [~~(C) a statement describing whether the motor
10 vehicle,~~

11 [~~(i) was the subject of a total loss claim
12 paid by an insurance company under Section 501.092 or 501.093,~~

13 [~~(ii) is a self-insured motor vehicle under
14 Section 501.094,~~

15 [~~(iii) is an export-only motor vehicle
16 under Section 501.099, or~~

17 [~~(iv) was sold, transferred, or released to
18 the owner or former owner of the motor vehicle or a buyer at a casual
19 sale]; and~~

20 (3) include the name and address of:

21 (A) any currently recorded lienholder, if the
22 motor vehicle is a nonrepairable motor vehicle; or

23 (B) any currently recorded lienholder or a new
24 lienholder, if the motor vehicle is a salvage motor vehicle.

25 (c) A printed nonrepairable vehicle title must state on its
26 face that the motor vehicle:

27 (1) may not:

1 (A) be repaired, rebuilt, or reconstructed;

2 (B) be issued a [~~regular certificate of~~] title or
3 registered in this state;

4 (C) be operated on a public highway, in addition
5 to any other requirement of law; and

6 (2) may only be used as a source for used parts or
7 scrap metal.

8 (c-1) The department's titling system must include a remark
9 that clearly identifies the vehicle as a salvage or nonrepairable
10 motor vehicle.

11 SECTION 43. Sections 501.100(a), (b), (c), and (f),
12 Transportation Code, are amended to read as follows:

13 (a) A vehicle for which a nonrepairable certificate of title
14 issued prior to September 1, 2003, or for which a salvage vehicle
15 title or salvage record of title has been issued may obtain [~~be~~
16 ~~issued~~] a [~~regular certificate of~~] title after the motor vehicle
17 has been repaired, rebuilt, or reconstructed [~~by a person described~~
18 ~~by Section 501.104(a)~~] and, in addition to any other requirement of
19 law, only if the application [~~is accompanied by a separate form~~
20 ~~that~~]:

21 (1) describes each major component part used to repair
22 the motor vehicle;

23 (2) states the name of each person from whom the parts
24 used in assembling the vehicle were obtained; and

25 (3) [~~2~~] shows the identification number required by
26 federal law to be affixed to or inscribed on the part.

27 (b) On receipt of a complete application under this section

1 accompanied by the [~~\$13~~] fee for the [~~certificate of~~] title, the
2 department shall issue the applicant a [~~regular certificate of~~]
3 title [~~for the motor vehicle~~].

4 (c) A [~~regular certificate of~~] title issued under this
5 section must [+

6 [~~(1)~~] describe or disclose the motor vehicle's former
7 condition in a manner reasonably understandable to a potential
8 purchaser of the motor vehicle [~~, and~~

9 [~~(2)~~ bear on its face the words "REBUILT SALVAGE" in
10 capital letters that,

11 [~~(A)~~ are red,

12 [~~(B)~~ are centered on and occupy at least 15
13 percent of the face of the certificate of title, and

14 [~~(C)~~ do not prevent any other words on the title
15 from being read or copied].

16 (f) The department may not issue a regular [~~certificate of~~]
17 title for a motor vehicle based on a:

18 (1) nonrepairable vehicle title or comparable
19 out-of-state ownership document;

20 (2) receipt issued under Section 501.1003(b)
21 [~~501.096(b)~~]; or

22 (3) certificate of authority.

23 SECTION 44. Section 501.092, Transportation Code, is
24 redesignated as Section 501.1001, Transportation Code, and amended
25 to read as follows:

26 Sec. 501.1001 [~~501.092~~]. [~~INSURANCE COMPANY TO SURRENDER~~
27 ~~CERTIFICATES OF TITLE TO CERTAIN~~] SALVAGE MOTOR VEHICLES OR

1 NONREPAIRABLE MOTOR VEHICLES FOR INSURANCE COMPANIES OR
2 SELF-INSURED PERSONS. (a) An insurance company that is licensed to
3 conduct business in this state and that acquires, through payment
4 of a claim, ownership or possession of a salvage motor vehicle or
5 nonrepairable motor vehicle covered by a [~~certificate of~~] title
6 issued by this state or a manufacturer's certificate of origin
7 shall surrender a properly assigned title or manufacturer's
8 certificate of origin to the department, in [~~on~~] a manner [~~form~~]
9 prescribed by the department, except that not earlier than the 31st
10 [~~46th~~] day after the date of payment of the claim the insurance
11 company may surrender a [~~certificate of~~] title, in [~~on~~] a manner
12 [~~form~~] prescribed by the department, and receive a salvage vehicle
13 [~~certificate of~~] title or a nonrepairable vehicle [~~certificate of~~]
14 title without obtaining a properly assigned [~~certificate of~~] title
15 if the insurance company:

16 (1) has obtained the release of all liens on the motor
17 vehicle;

18 (2) is unable to locate one or more owners of the motor
19 vehicle; and

20 (3) has provided notice to the last known address in
21 the department's records to each owner that has not been located:

22 (A) by registered or certified mail, return
23 receipt requested; or

24 (B) if a notice sent under Paragraph (A) is
25 returned unclaimed, by publication in a newspaper of general
26 circulation in the area where the unclaimed mail notice was sent.

27 (b) For a salvage motor vehicle, the insurance company shall

1 apply for a salvage vehicle title or salvage record of title. For a
2 nonrepairable motor vehicle, the insurance company shall apply for
3 a nonrepairable vehicle title or nonrepairable record of title.

4 (c) ~~[An insurance company may not sell a motor vehicle to~~
5 ~~which this section applies unless the department has issued a~~
6 ~~salvage vehicle title or a nonrepairable vehicle title for the~~
7 ~~motor vehicle or a comparable ownership document has been issued by~~
8 ~~another state or jurisdiction for the motor vehicle.~~

9 ~~[(d) An insurance company may sell a motor vehicle to which~~
10 ~~this section applies, or assign a salvage vehicle title or a~~
11 ~~nonrepairable vehicle title for the motor vehicle, only to a~~
12 ~~salvage vehicle dealer, an out-of-state buyer, a buyer in a casual~~
13 ~~sale at auction, a metal recycler, or a used automotive parts~~
14 ~~recycler. If the motor vehicle is not a salvage motor vehicle or a~~
15 ~~nonrepairable motor vehicle, the insurance company is not required~~
16 ~~to surrender the regular certificate of title for the vehicle or to~~
17 ~~be issued a salvage vehicle title or a nonrepairable vehicle title~~
18 ~~for the motor vehicle.~~

19 ~~[(e)]~~ An insurance company or other person who acquires
20 ownership of a motor vehicle other than a nonrepairable or salvage
21 motor vehicle may voluntarily and on proper application obtain a
22 salvage vehicle title, salvage record of title, ~~[or a]~~
23 nonrepairable vehicle title, or nonrepairable record of title for
24 the vehicle.

25 (d) This subsection applies only to a motor vehicle in this
26 state that is a self-insured motor vehicle and that is damaged to
27 the extent it becomes a nonrepairable or salvage motor vehicle. The

1 owner of a motor vehicle to which this subsection applies shall
2 submit to the department before the 31st business day after the date
3 of the damage, in a manner prescribed by the department, a statement
4 that the motor vehicle was self-insured and damaged. When the owner
5 submits a report, the owner shall surrender the ownership document
6 and apply for a nonrepairable vehicle title, nonrepairable record
7 of title, salvage vehicle title, or salvage record of title.

8 SECTION 45. Section 501.093, Transportation Code, is
9 redesignated as Section 501.1002, Transportation Code, and amended
10 to read as follows:

11 Sec. 501.1002 [~~501.093~~]. OWNER-RETAINED [~~INSURANCE COMPANY~~
12 ~~REPORT ON CERTAIN~~] VEHICLES. (a) If an insurance company pays a
13 claim on a nonrepairable motor vehicle or salvage motor vehicle and
14 the insurance company does not acquire ownership of the motor
15 vehicle, the insurance company shall:

16 (1) apply on behalf of the owner for a nonrepairable
17 vehicle title, nonrepairable record of title, salvage vehicle
18 title, or salvage record of title; or

19 (2) notify the owner of the information contained in:

20 (A) Subsection (b); or

21 (B) Section 501.09111; and

22 (3) submit to the department, before the 31st day
23 after the date of the payment of the claim, in a manner [~~on the~~
24 ~~form~~] prescribed by the department, a report stating that the
25 insurance company:

26 (A) [~~1~~] has paid a claim on the motor vehicle;

27 and

1 (B) [~~2~~] has not acquired ownership of the motor
2 vehicle.

3 (b) The owner of a motor vehicle to which this section
4 applies may not operate or permit operation of the motor vehicle on
5 a public highway or transfer ownership of the motor vehicle by sale
6 or otherwise unless the department has issued a salvage vehicle
7 title, salvage record of title, [~~or a~~] nonrepairable vehicle title,
8 or nonrepairable record of title for the motor vehicle or a
9 comparable ownership document has been issued by another state or
10 jurisdiction for the motor vehicle.

11 [~~(c) Subsection (b) does not apply if:~~

12 [~~(1) the department has issued a nonrepairable vehicle~~
13 ~~title or salvage vehicle title for the motor vehicle, or~~

14 [~~(2) another state or jurisdiction has issued a~~
15 ~~comparable out-of-state ownership document for the motor vehicle.]~~

16 SECTION 46. Section 501.096, Transportation Code, is
17 redesignated as Section 501.1003, Transportation Code, and amended
18 to read as follows:

19 Sec. 501.1003 [~~501.096~~]. [~~NONREPAIRABLE MOTOR VEHICLE OR~~
20 SALVAGE DEALER RESPONSIBILITIES [~~MOTOR VEHICLE DISMANTLED,~~
21 ~~SCRAPPED, OR DESTROYED~~]. (a) If a salvage vehicle dealer acquires
22 ownership of a nonrepairable motor vehicle or salvage motor vehicle
23 for the purpose of dismantling, scrapping, or destroying the motor
24 vehicle, the dealer shall, before the 31st day after the date the
25 dealer acquires the motor vehicle, submit to the department a
26 report stating that the motor vehicle will be dismantled, scrapped,
27 or destroyed. The dealer shall:

1 (1) make the report in a manner [~~on a form~~] prescribed
2 by the department; and

3 (2) submit with the report a properly assigned
4 manufacturer's certificate of origin, regular certificate of
5 title, nonrepairable vehicle title, salvage vehicle title, or
6 comparable out-of-state ownership document for the motor vehicle.

7 (b) After receiving the report and title or document, the
8 department shall issue the salvage vehicle dealer a receipt for the
9 manufacturer's certificate of origin, regular certificate of
10 title, nonrepairable vehicle title, salvage vehicle title, or
11 comparable out-of-state ownership document.

12 (c) The department shall adopt rules to notify the salvage
13 [vehicle] dealer if the vehicle was not issued a printed title, but
14 has a record of title in the department's titling system [~~shall~~

15 ~~[(1) keep on the business premises of the dealer,~~
16 ~~until the third anniversary of the date the report on the motor~~
17 ~~vehicle is submitted to the department, a record of the vehicle, its~~
18 ~~ownership, and its condition as dismantled, scrapped, or destroyed,~~
19 ~~and~~

20 ~~[(2) present to the department, on the form prescribed~~
21 ~~by the department, evidence that the motor vehicle was dismantled,~~
22 ~~scrapped, or destroyed before the 61st day after the date the dealer~~
23 ~~completed the dismantling, scrapping, or destruction of the motor~~
24 ~~vehicle].~~

25 SECTION 47. Section 501.104, Transportation Code, is
26 amended to read as follows:

27 Sec. 501.104. REBUILDER TO POSSESS TITLE OR OTHER

1 DOCUMENTATION. (a) This section applies [~~only~~] to [~~+~~
2 [~~(1) a rebuilder licensed as a salvage vehicle dealer,~~
3 [~~(2)~~] a person engaged in repairing, rebuilding, or
4 reconstructing more than five motor vehicles [~~the business of a~~
5 ~~rebuilder~~], regardless of whether the person is licensed to engage
6 in that business [~~+~~ ~~or~~
7 [~~(3) a person engaged in the casual repair,~~
8 ~~rebuilding, or reconstruction of fewer than three motor vehicles in~~
9 ~~the same 12-month period~~].

10 (b) A person described by Subsection (a) must possess:

11 (1) an acceptable [~~a regular certificate of title,~~
12 ~~nonrepairable vehicle title, salvage vehicle title, or comparable~~
13 ~~out-of-state~~] ownership document or proof of ownership for any
14 motor vehicle that is:

- 15 (A) owned by the person;
16 (B) in the person's inventory; and
17 (C) being offered for resale; or

18 (2) a contract entered into with the owner, a work
19 order, or another document that shows the authority for the person
20 to possess any motor vehicle that is:

- 21 (A) owned by another person;
22 (B) on the person's business or casual premises;
23 and
24 (C) being repaired, rebuilt, or reconstructed
25 for the other person.

26 SECTION 48. Section 501.105, Transportation Code, is
27 redesignated as Section 501.108, Transportation Code, and amended

1 to read as follows:

2 Sec. 501.108 [~~501.105~~]. RECORD RETENTION [~~OF RECORDS~~
3 ~~RELATING TO CERTAIN CASUAL SALES~~]. (a) Each licensed salvage
4 vehicle dealer, used automotive parts recycler, or insurance
5 company that sells a nonrepairable motor vehicle or a salvage motor
6 vehicle at a casual sale shall keep on the business premises of the
7 dealer or the insurance company a list of all casual sales made
8 during the preceding 36-month period that contains:

- 9 (1) the date of the sale;
10 (2) the name of the purchaser;
11 (3) the name of the jurisdiction that issued the
12 identification document provided by the purchaser, as shown on the
13 document; and
14 (4) the vehicle identification number.

15 (b) A salvage vehicle dealer or used automotive parts
16 recycler shall keep on the business premises of the dealer or
17 recycler, until the third anniversary of the date the report on the
18 motor vehicle is submitted to the department, a record of the
19 vehicle, its ownership, and its condition as dismantled, scrapped,
20 or destroyed as required by Section 501.1003.

21 SECTION 49. Section 501.102, Transportation Code, is
22 redesignated as Section 501.109, Transportation Code, and amended
23 to read as follows:

24 Sec. 501.109 [~~501.102~~]. OFFENSES. (a) A person commits an
25 offense if the person:

- 26 (1) applies to the department for a [~~regular~~
27 ~~certificate of~~] title for a motor vehicle; and

1 (2) knows or reasonably should know that:

2 (A) the vehicle is a nonrepairable motor vehicle
3 that has been repaired, rebuilt, or reconstructed;

4 (B) the vehicle identification number assigned
5 to the motor vehicle belongs to a nonrepairable motor vehicle that
6 has been repaired, rebuilt, or reconstructed;

7 (C) the title issued to the motor vehicle belongs
8 to a nonrepairable motor vehicle that has been repaired, rebuilt,
9 or reconstructed;

10 (D) the vehicle identification number assigned
11 to the motor vehicle belongs to an export-only motor vehicle;

12 (E) the motor vehicle is an export-only motor
13 vehicle; or

14 (F) the motor vehicle is a nonrepairable motor
15 vehicle or salvage motor vehicle for which a nonrepairable vehicle
16 title, salvage vehicle title, or comparable ownership document
17 issued by another state or jurisdiction has not been issued.

18 (b) A person commits an offense if the person knowingly
19 sells, transfers, or releases a salvage motor vehicle in violation
20 of this subchapter.

21 (c) A person commits an offense if the person knowingly
22 fails or refuses to surrender a regular certificate of title after
23 the person:

24 (1) receives a notice from an insurance company that
25 the motor vehicle is a nonrepairable or salvage motor vehicle; or

26 (2) knows the vehicle has become a nonrepairable motor
27 vehicle or salvage motor vehicle under Section 501.1001 [~~501.094~~].

1 (d) Except as provided by Subsection (e), an offense under
2 this section is a Class C misdemeanor.

3 (e) If it is shown on the trial of an offense under this
4 section that the defendant has been previously convicted of:

5 (1) one offense under this section, the offense is a
6 Class B misdemeanor; or

7 (2) two or more offenses under this section, the
8 offense is a state jail felony.

9 SECTION 50. Section 501.106, Transportation Code, is
10 redesignated as Section 501.110, Transportation Code, and amended
11 to read as follows:

12 Sec. 501.110 [~~501.106~~]. ENFORCEMENT OF SUBCHAPTER. (a)
13 This subchapter shall be enforced by the department and any other
14 governmental or law enforcement entity, including the Department of
15 Public Safety, and the personnel of the entity as provided by this
16 subchapter.

17 (b) The department, an agent, officer, or employee of the
18 department, or another person enforcing this subchapter is not
19 liable to a person damaged or injured by an act or omission relating
20 to the issuance or revocation of a [~~regular certificate of~~] title,
21 nonrepairable vehicle title, nonrepairable record of title, [~~or~~]
22 salvage vehicle title, or salvage record of title under this
23 subchapter.

24 SECTION 51. Section 501.111(a), Transportation Code, is
25 amended to read as follows:

26 (a) Except as provided by Subsection (b), a person may
27 perfect a security interest in a motor vehicle that is the subject

1 of a first or subsequent sale only by recording the security
2 interest on the [~~certificate of~~] title as provided by this chapter.

3 SECTION 52. Section 501.113, Transportation Code, is
4 amended to read as follows:

5 Sec. 501.113. RECORDATION OF SECURITY INTEREST. (a)
6 Recordation of a lien under this chapter is considered to occur
7 when:

8 (1) the department's titling system is updated; or

9 (2) the county assessor-collector [+

10 ~~[-1] is presented with an application for a~~
11 ~~certificate of title that discloses the lien with tender of the~~
12 ~~filing fee, or~~

13 ~~[-2]~~ accepts the application of title that discloses
14 the lien with the filing fee.

15 (b) For purposes of Chapter 9, Business & Commerce Code, the
16 time of recording a lien under this chapter is considered to be the
17 time of filing the security interest, and on such recordation, the
18 recorded lienholder and assignees under Section 501.114 obtain
19 priority over the rights of a lien creditor, as defined by Section
20 9.102, Business & Commerce Code, for so long as the lien is recorded
21 on the [~~certificate of~~] title.

22 SECTION 53. Sections 501.114(b), (d), (e), (f), and (g),
23 Transportation Code, are amended to read as follows:

24 (b) An assignee or assignor may, but need not to retain the
25 validity, perfection, and priority of the lien assigned, as
26 evidence of the assignment of a lien recorded under Section
27 501.113:

1 (1) apply to the county assessor-collector for the
2 assignee to be named as lienholder on the [~~certificate of~~] title;
3 and

4 (2) notify the debtor of the assignment.

5 (d) An application under Subsection (b) must be
6 acknowledged+

7 [~~(1) signed~~] by the assignee[~~, and~~

8 [~~(2) accompanied by~~

9 [~~(A) the applicable fee,~~

10 [~~(B) a copy of the assignment agreement executed~~
11 ~~by the parties, and~~

12 [~~(C) the certificate of title on which the lien~~
13 ~~to be assigned is recorded].~~

14 (e) On receipt of the completed application and fee, the
15 department may:

16 (1) [~~may~~] amend the department's records to substitute
17 the assignee for the recorded lienholder; and

18 (2) [~~shall~~] issue a new [~~certificate of~~] title as
19 provided by this chapter [~~Section 501.027~~].

20 (f) The issuance of a [~~certificate of~~] title under
21 Subsection (e) is recordation of the assignment.

22 (g) Regardless of whether application is made for the
23 assignee to be named as lienholder on the [~~certificate of~~] title,
24 the time of the recordation of a lien assigned under this section is
25 considered to be the time the lien was initially recorded under
26 Section 501.113.

27 SECTION 54. Section 501.115, Transportation Code, is

1 amended to read as follows:

2 Sec. 501.115. DISCHARGE OF LIEN. (a) When a debt or claim
3 secured by a lien has been satisfied, the lienholder shall, within a
4 reasonable time not to exceed the maximum time allowed by Section
5 348.408, Finance Code, execute and deliver to the owner, or the
6 owner's designee, a discharge of the lien in ~~on~~ a manner ~~form~~
7 prescribed by the department.

8 (b) The owner may submit ~~present~~ the discharge and
9 ~~[certificate of]~~ title to the department for ~~[county~~
10 ~~assessor-collector with an application for a new certificate of~~
11 ~~title and the department shall issue]~~ a new ~~[certificate of]~~ title.

12 SECTION 55. Section 501.116, Transportation Code, is
13 amended to read as follows:

14 Sec. 501.116. CANCELLATION OF DISCHARGED LIEN. The
15 department may cancel a discharged lien that has been recorded on a
16 ~~[certificate of]~~ title for 10 ~~six~~ years or more if the recorded
17 lienholder:

- 18 (1) does not exist; or
19 (2) cannot be located for the owner to obtain a release
20 of the lien.

21 SECTION 56. Sections 501.134(a), (b), (c), (d), and (g),
22 Transportation Code, are amended to read as follows:

23 (a) If a printed ~~[certificate of]~~ title is lost or
24 destroyed, the owner or lienholder disclosed on the title
25 ~~[certificate]~~ may obtain, in the manner provided by this section
26 and department rule, a certified copy of the lost or destroyed
27 ~~[certificate of]~~ title directly from the department by applying in

1 ~~on~~ a manner ~~form~~ prescribed by the department and paying a fee
2 of \$2. A fee collected under this subsection shall be deposited to
3 the credit of the state highway fund and may be spent only as
4 provided by Section 501.138.

5 (b) If a lien is disclosed on a ~~certificate of~~ title, the
6 department may issue a certified copy of the original ~~certificate~~
7 ~~of~~ title only to the first lienholder or the lienholder's verified
8 agent.

9 (c) The department must plainly mark "certified copy" on the
10 face of a certified copy issued under this section [~~and each~~
11 ~~subsequent certificate issued for the motor vehicle until the~~
12 ~~vehicle is transferred~~]. A subsequent purchaser or lienholder of
13 the vehicle only acquires the rights, title, or interest in the
14 vehicle held by the holder of the certified copy.

15 (d) A purchaser or lienholder of a motor vehicle having a
16 certified copy issued under this section may at the time of the
17 purchase or establishment of the lien require that the seller or
18 owner indemnify the purchaser or lienholder and all subsequent
19 purchasers of the vehicle against any loss the person may suffer
20 because of a claim presented on the original ~~certificate of~~
21 title.

22 (g) The department may issue a certified copy of a
23 ~~certificate of~~ title [~~before the fourth business day after the~~
24 ~~date application is made~~] only if the applicant:

25 (1) is the registered owner of the vehicle, the holder
26 of a recorded lien against the vehicle, or a verified agent of the
27 owner or lienholder; and

1 (2) submits personal identification as required by
2 department rule [~~, including a photograph, issued by an agency of~~
3 ~~this state or the United States~~].

4 SECTION 57. Section 501.135(a), Transportation Code, is
5 amended to read as follows:

6 (a) The department shall:

7 (1) make a record of each report to the department that
8 a motor vehicle registered in this state has been stolen or
9 concealed in violation of Section 32.33, Penal Code; and

10 (2) note the fact of the report in the department's
11 records [~~of the vehicle's certificate of title~~].

12 SECTION 58. Sections 501.138(a), (b), and (b-1),
13 Transportation Code, are amended to read as follows:

14 (a) An applicant for a [~~certificate of~~] title, other than
15 the state or a political subdivision of the state, must pay [~~the~~
16 ~~county assessor-collector~~] a fee of:

17 (1) \$33 if the applicant's residence is a county
18 located within a nonattainment area as defined under Section 107(d)
19 of the federal Clean Air Act (42 U.S.C. Section 7407), as amended,
20 or is an affected county, as defined by Section 386.001, Health and
21 Safety Code; or

22 (2) \$28 if the applicant's residence is any other
23 county.

24 (b) The fees [~~county assessor-collector~~] shall be
25 distributed as follows [~~and~~]:

26 (1) \$5 of the fee to the county treasurer for deposit
27 in the officers' salary fund;

1 (2) \$8 of the fee to the department:
2 (A) together with the application within the time
3 prescribed by Section 501.023; or
4 (B) if the fee is deposited in an
5 interest-bearing account or certificate in the county depository or
6 invested in an investment authorized by Subchapter A, Chapter 2256,
7 Government Code, not later than the 35th day after the date on which
8 the fee is received; and
9 (3) the following amount to the comptroller at the
10 time and in the manner prescribed by the comptroller:
11 (A) \$20 of the fee if the applicant's residence
12 is a county located within a nonattainment area as defined under
13 Section 107(d) of the federal Clean Air Act (42 U.S.C. Section
14 7407), as amended, or is an affected county, as defined by Section
15 386.001, Health and Safety Code; or
16 (B) \$15 of the fee if the applicant's residence
17 is any other county.
18 (b-1) Fees collected under Subsection (b) to be sent to the
19 comptroller shall be deposited ~~[as follows:~~
20 ~~[(1) before September 1, 2008, to the credit of the~~
21 ~~Texas emissions reduction plan fund, and~~
22 ~~[(2) on or after September 1, 2008,~~ to the credit of
23 the Texas Mobility Fund, except that \$5 of each fee imposed under
24 Subsection (a)(1) and deposited on or after September 1, 2008, and
25 before September 1, 2015, shall be deposited to the credit of the
26 Texas emissions reduction plan fund.
27 SECTION 59. Section 520.031, Transportation Code, as

1 amended by Chapters 836 (H.B. 1743) and 1423 (H.B. 2409), Acts of
2 the 76th Legislature, Regular Session, 1999, is transferred to
3 Subchapter H, Chapter 501, Transportation Code, redesignated as
4 Section 501.145, Transportation Code, and reenacted and amended to
5 read as follows:

6 Sec. 501.145 [~~520.031~~]. FILING BY PURCHASER [~~TRANSFeree~~];
7 APPLICATION FOR TRANSFER OF TITLE [~~AND REGISTRATION~~]. (a) Not
8 later than the later of the 30th [~~20th working~~] day after the date
9 of assignment on [~~receiving~~] the documents or the date provided by
10 Section 152.069, Tax Code [~~under Section 520.022 or 520.0225~~], the
11 purchaser [~~transferee~~] of the used motor vehicle shall file with
12 the county assessor-collector:

13 (1) [~~the license receipt and~~] the certificate of title
14 or other evidence of title; or

15 (2) if appropriate, a document described by Section
16 502.457 [~~520.0225(b)(1) or (2)~~] and the [~~certificate of~~] title or
17 other evidence of ownership [~~title~~].

18 (b) The filing under Subsection (a) is an application for
19 transfer of title as required under this chapter [~~Chapter 501~~] and
20 [~~, if the license receipt is filed,~~] an application for transfer of
21 the registration of the motor vehicle.

22 (c) [~~In this section, "working day" means any day other than~~
23 ~~a Saturday, a Sunday, or a holiday on which county offices are~~
24 ~~closed.~~

25 [~~(d)~~] Notwithstanding Subsection (a), if the purchaser
26 [~~transferee~~] is a member of the armed forces of the United States, a
27 member of the Texas National Guard or of the National Guard of

1 another state serving on active duty under an order of the president
2 of the United States, or a member of a reserve component of the
3 armed forces of the United States serving on active duty under an
4 order of the president of the United States, the documents
5 described by Subsection (a) must be filed with the county
6 assessor-collector not later than the 60th ~~working~~ day after the
7 date of assignment of ownership ~~[their receipt by the transferee]~~.

8 SECTION 60. Section 520.032, Transportation Code, is
9 transferred to Subchapter H, Chapter 501, Transportation Code,
10 redesignated as Section 501.146, Transportation Code, and amended
11 to read as follows:

12 Sec. 501.146 ~~[520.032]~~. TITLE TRANSFER ~~[FEE]~~; LATE FEE.

13 (a) ~~[The transferee of a used motor vehicle shall pay, in addition~~
14 ~~to any fee required under Chapter 501 for the transfer of title, a~~
15 ~~transfer fee of \$2.50 for the transfer of the registration of the~~
16 ~~motor vehicle.~~

17 ~~[(b)]~~ If the ~~[transferee does not file the]~~ application for
18 the transfer of title is not filed during the period provided by
19 Section 501.145, the ~~[520.031, the transferee is liable for a]~~ late
20 fee is to be paid to the county assessor-collector when the
21 application is filed. If the seller ~~[transferee]~~ holds a general
22 distinguishing number issued under Chapter 503 of this code or
23 Chapter 2301, Occupations Code, the seller is liable for the late
24 fee in the amount of ~~[the late fee is]~~ \$10. If the seller
25 ~~[transferee]~~ does not hold a general distinguishing number, subject
26 to Subsection (b) ~~[(b-1)]~~ the applicant's ~~[amount of the]~~ late fee
27 is \$25.

1 **(b)** [~~(b-1)~~] If the application is filed after the 60th [~~31st~~
2 ~~working~~] day after the date the purchaser was assigned ownership of
3 [~~transferee received~~] the documents under Section 501.0721
4 [~~520.022~~], the late fee imposed under Subsection (a) [~~(b)~~] accrues
5 an additional penalty in the amount of \$25 for each subsequent
6 30-day period, or portion of a 30-day period, in which the
7 application is not filed.

8 **(c)** [~~The county assessor-collector and the surety on the~~
9 ~~county assessor-collector's bond are liable for the late fee if the~~
10 ~~county assessor-collector does not collect the late fee.~~

11 ~~(d)~~ Subsections (a) and (b) [~~and (b-1)~~] do not apply if
12 the motor vehicle is eligible to be issued:

13 (1) classic vehicle license plates under Section
14 504.501; or

15 (2) antique vehicle license plates under Section
16 504.502.

17 SECTION 61. Section 520.023, Transportation Code, is
18 transferred to Subchapter H, Chapter 501, Transportation Code,
19 redesignated as Section 501.147, Transportation Code, and amended
20 to read as follows:

21 Sec. 501.147 [~~520.023~~]. [~~POWERS AND DUTIES OF DEPARTMENT ON~~
22 ~~TRANSFER OF USED~~] VEHICLE TRANSFER NOTIFICATION. (a) On receipt of
23 a written notice of transfer from the seller [~~transferor~~] of a motor
24 vehicle, the department shall indicate the transfer on the motor
25 vehicle records maintained by the department. As an alternative to
26 a written notice of transfer, the department shall establish
27 procedures that permit the seller [~~transferor~~] of a motor vehicle

1 to electronically submit a notice of transfer to the department
2 through the department's Internet website. A notice of transfer
3 provided through the department's Internet website is not required
4 to bear the signature of the seller [~~transferor~~] or include the date
5 of signing.

6 (b) [~~The department may design the written notice of~~
7 ~~transfer to be part of the certificate of title for the vehicle.~~]
8 The notice of transfer [~~form~~] shall be provided by the department
9 and must include a place for the seller [~~transferor~~] to state:

10 (1) a complete description of the vehicle as
11 prescribed by the department [~~identification number of the~~
12 ~~vehicle~~];

13 (2) [~~the number of the license plate issued to the~~
14 ~~vehicle, if any,~~

15 [~~3~~] the full name and address of the seller
16 [~~transferor~~];

17 (3) [~~4~~] the full name and address of the purchaser
18 [~~transferee~~];

19 (4) [~~5~~] the date the seller [~~transferor~~] delivered
20 possession of the vehicle to the purchaser [~~transferee~~];

21 (5) [~~6~~] the signature of the seller [~~transferor~~];

22 and

23 (6) [~~7~~] the date the seller [~~transferor~~] signed the
24 form.

25 (c). This subsection applies only if the department receives
26 notice under Subsection (a) before the 30th day after the date the
27 seller [~~transferor~~] delivered possession of the vehicle to the

1 purchaser or in accordance with Section 152.069, Tax Code
2 ~~[transferee]~~. After the date of the transfer of the vehicle shown
3 on the records of the department, the purchaser ~~[transferee]~~ of the
4 vehicle shown on the records is rebuttably presumed to be:

5 (1) the owner of the vehicle; and

6 (2) subject to civil and criminal liability arising
7 out of the use, operation, or abandonment of the vehicle, to the
8 extent that ownership of the vehicle subjects the owner of the
9 vehicle to criminal or civil liability under another provision of
10 law.

11 (d) The department may adopt ~~(+)~~

12 ~~[(1)]~~ rules to implement this section ~~[(+ and~~

13 ~~[(2) a fee for filing a notice of transfer under this~~
14 ~~section in an amount not to exceed the lesser of the actual cost to~~
15 ~~the department of implementing this section or \$5].~~

16 (e) This section does not impose or establish civil or
17 criminal liability on the owner of a motor vehicle who transfers
18 ownership of the vehicle but does not disclose the transfer to the
19 department.

20 (f) ~~[This section does not require the department to issue a~~
21 ~~certificate of title to a person shown on a notice of transfer as~~
22 ~~the transferee of a motor vehicle.]~~ The department may not issue a
23 ~~[certificate of]~~ title or register ~~[for]~~ the vehicle until the
24 purchaser ~~[transferee]~~ applies for a title to the county
25 assessor-collector as provided by this chapter ~~[Chapter 501]~~.

26 (g) A transferor who files the appropriate form with the
27 department as provided by, and in accordance with, this section,

1 whether that form is a part of a [~~certificate of~~] title or a form
2 otherwise promulgated by the department to comply with the terms of
3 this section, has no vicarious civil or criminal liability arising
4 out of the use, operation, or abandonment of the vehicle by another
5 person. Proof by the transferor that the transferor filed a form
6 under this section is a complete defense to an action brought
7 against the transferor for an act or omission, civil or criminal,
8 arising out of the use, operation, or abandonment of the vehicle by
9 another person after the transferor filed the form. A copy of the
10 form filed under this section is proof of the filing of the form.

11 SECTION 62. Section 520.033, Transportation Code, is
12 transferred to Subchapter H, Chapter 501, Transportation Code,
13 redesignated as Section 501.148, Transportation Code, and amended
14 to read as follows:

15 Sec. 501.148 [~~520.033~~]. ALLOCATION OF FEES. (a) The
16 county assessor-collector may retain as commission for services
17 provided under this subchapter [~~half of each transfer fee~~
18 ~~collected,~~] half of each late fee[, ~~and half of each additional~~
19 ~~penalty collected under Section 520.032~~].

20 (b) The county assessor-collector shall report and remit
21 the balance of the fees collected to the department on Monday of
22 each week as other [~~registration~~] fees are required to be reported
23 and remitted.

24 (c) Of each late fee collected from a person who does not
25 hold a general distinguishing number by [~~that~~] the department
26 [~~receives~~] under Subsection (b), \$10 may be used only to fund a
27 statewide public awareness campaign designed to inform and educate

1 the public about the provisions of this chapter.

2 SECTION 63. Section 501.152(b), Transportation Code, is
3 amended to read as follows:

4 (b) It is not a violation of this section for the beneficial
5 owner of a vehicle to sell or offer to sell a vehicle without having
6 possession of the [~~certificate of~~] title to the vehicle if the sole
7 reason he or she does not have possession of the [~~certificate of~~]
8 title is that the title is in the possession of a lienholder who has
9 not complied with the terms of Section 501.115(a) [~~of this code~~].

10 SECTION 64. Section 501.153, Transportation Code, is
11 amended to read as follows:

12 Sec. 501.153. APPLICATION FOR TITLE FOR STOLEN OR CONCEALED
13 VEHICLE. A person commits an offense if the person applies for a
14 [~~certificate of~~] title for a motor vehicle that the person knows is
15 stolen or concealed in violation of Section 32.33, Penal Code.

16 SECTION 65. Section 501.154, Transportation Code, is
17 amended to read as follows:

18 Sec. 501.154. ALTERATION OF CERTIFICATE OR RECEIPT. A
19 person commits an offense if the person alters a manufacturer's [~~ex~~
20 ~~importer's~~] certificate, a title receipt, or a [~~certificate of~~]
21 title.

22 SECTION 66. Section 501.155(a), Transportation Code, is
23 amended to read as follows:

24 (a) A person commits an offense if the person knowingly
25 provides false or incorrect information or without legal authority
26 signs the name of another person on:

27 (1) an application for a [~~certificate of~~] title;

- 1 (2) an application for a certified copy of an original
2 [~~certificate of~~] title;
- 3 (3) an assignment of title for a motor vehicle;
- 4 (4) a discharge of a lien on a title for a motor
5 vehicle; or
- 6 (5) any other document required by the department or
7 necessary to the transfer of ownership of a motor vehicle.

8 SECTION 67. The heading to Section 501.158, Transportation
9 Code, is amended to read as follows:

10 Sec. 501.158. SEIZURE OF STOLEN VEHICLE OR VEHICLE WITH
11 ALTERED VEHICLE IDENTIFICATION [~~SERIAL~~] NUMBER.

12 SECTION 68. Section 520.035, Transportation Code, is
13 transferred to Subchapter H, Chapter 501, Transportation Code,
14 redesignated as Section 501.161, Transportation Code, and amended
15 to read as follows:

16 Sec. 501.161 [~~520.035~~]. EXECUTION OF TRANSFER DOCUMENTS;
17 PENALTY. (a) A person who transfers a motor vehicle in this state
18 shall complete [~~execute~~] in full and date as of the date of the
19 transfer all documents relating to the transfer of registration or
20 [~~certificate of~~] title. A person who transfers a vehicle commits an
21 offense if the person fails to execute the documents in full.

22 (b) A person commits an offense if the person:

- 23 (1) accepts a document described by Subsection (a)
24 that does not contain all of the required information; or
- 25 (2) alters or mutilates such a document.

26 (c) An offense under this section is a misdemeanor
27 punishable by a fine of not less than \$50 and not more than \$200.

1 SECTION 69. Subchapter H, Chapter 501, Transportation Code,
2 is amended by adding Sections 501.162 and 501.163 to read as
3 follows:

4 Sec. 501.162. MOTOR NUMBER REQUIRED FOR REGISTRATION;
5 PENALTY. A person commits an offense if the person violates Section
6 501.0331. An offense under this section is a misdemeanor
7 punishable by a fine of not less than \$50 and not more than \$100.

8 Sec. 501.163. APPLICATION FOR MOTOR NUMBER RECORD; PENALTY.
9 A person who fails to comply with Section 501.0332 commits an
10 offense. An offense under this section is a misdemeanor punishable
11 by a fine of not less than \$10 and not more than \$100.

12 SECTION 70. Chapter 501, Transportation Code, is amended by
13 adding Subchapter I to read as follows:

14 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

15 Sec. 501.171. APPLICATION OF SUBCHAPTER. This subchapter
16 applies only if the department implements a titling system under
17 Section 501.173.

18 Sec. 501.172. DEFINITIONS. In this subchapter:

19 (1) "Document" means information that is inscribed on
20 a tangible medium or that is stored in an electronic or other medium
21 and is retrievable in perceivable form.

22 (2) "Electronic" means relating to technology having
23 electrical, digital, magnetic, wireless, optical, electromagnetic,
24 or similar capabilities.

25 (3) "Electronic document" means a document that is in
26 an electronic form.

27 (4) "Electronic signature" means an electronic sound,

1 symbol, or process attached to or logically associated with a
2 document and executed or adopted by a person with the intent to sign
3 the document.

4 (5) "Paper document" means a document that is in
5 printed form.

6 Sec. 501.173. ELECTRONIC TITLING SYSTEM. (a) The board by
7 rule may implement an electronic titling system.

8 (b) A record of title maintained electronically by the
9 department in the titling system is the official record of vehicle
10 ownership unless the owner requests that the department issue a
11 printed title.

12 Sec. 501.174. VALIDITY OF ELECTRONIC DOCUMENTS. (a) If
13 this chapter requires that a document be an original, be on paper or
14 another tangible medium, or be in writing, the requirement is met by
15 an electronic document that complies with this subchapter.

16 (b) If a law requires that a document be signed, the
17 requirement is satisfied by an electronic signature.

18 (c) A requirement that a document or a signature associated
19 with a document be notarized, acknowledged, verified, witnessed, or
20 made under oath is satisfied if the electronic signature of the
21 person authorized to perform that act, and all other information
22 required to be included, is attached to or logically associated
23 with the document or signature. A physical or electronic image of a
24 stamp, impression, or seal is not required to accompany an
25 electronic signature.

26 Sec. 501.175. RECORDING OF DOCUMENTS. (a) Under the
27 titling system, the department may:

1 (1) receive, index, store, archive, and transmit
2 electronic documents;

3 (2) provide for access to, and for search and
4 retrieval of, documents and information by electronic means; and

5 (3) convert into electronic form:

6 (A) paper documents that it accepts for the
7 titling of a motor vehicle; and

8 (B) information recorded and documents that were
9 accepted for the titling of a motor vehicle before the titling
10 system was implemented.

11 (b) The department shall continue to accept paper documents
12 after the titling system is implemented.

13 Sec. 501.176. PAYMENT OF FEES BY ELECTRONIC FUNDS TRANSFER
14 OR CREDIT CARD. (a) The department may accept payment by
15 electronic funds transfer, credit card, or debit card of any title
16 or registration fee that the department is required or authorized
17 to collect under this chapter.

18 (b) The department may collect a fee for processing a title
19 or registration payment by electronic funds transfer, credit card,
20 or debit card in an amount not to exceed the amount of the charges
21 incurred by the department to process the payment.

22 (c) The department may collect the fee set under Section
23 2054.2591, Government Code, from a person making a payment by
24 electronic funds transfer, credit card, or debit card through the
25 online project implemented under Section 2054.252, Government
26 Code.

27 Sec. 501.177. SERVICE CHARGE. If, for any reason, the

1 payment of a fee under this chapter by electronic funds transfer,
2 credit card, or debit card is not honored by the funding
3 institution, or by the electronic funds transfer, credit card, or
4 debit card company on which the funds are drawn, the department may
5 collect from the person who owes the fee being collected a service
6 charge that is for the collection of that original amount and is in
7 addition to the original fee. The amount of the service charge must
8 be reasonably related to the expense incurred by the department in
9 collecting the original amount.

10 Sec. 501.178. DISPOSITION OF FEES. All fees collected
11 under this subchapter shall be deposited to the credit of the state
12 highway fund.

13 Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL
14 AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and
15 supersedes the federal Electronic Signatures in Global and National
16 Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify,
17 limit, or supersede Section 101(c) of that Act (15 U.S.C. Section
18 7001(c)) or authorize electronic delivery of any of the notices
19 described in Section 103(b) of that Act (15 U.S.C. Section
20 7003(b)).

21 SECTION 71. Section 502.001, Transportation Code, is
22 amended to read as follows:

23 Sec. 502.001. DEFINITIONS. In this chapter:

24 (1) "All-terrain vehicle" means a motor vehicle that
25 is:

26 (A) equipped with a saddle for the use of:

27 (i) the rider; and

1 (ii) a passenger, if the motor vehicle is
2 designed by the manufacturer to transport a passenger;

3 (B) designed to propel itself with three or more
4 tires in contact with the ground;

5 (C) designed by the manufacturer for off-highway
6 use; and

7 (D) not designed by the manufacturer primarily
8 for farming or lawn care.

9 (2) "Apportioned license plate" means a license plate
10 issued in lieu of a truck license plate or combination license plate
11 to a motor carrier in this state who proportionally registers a
12 vehicle owned or leased by the carrier in one or more other states.

13 (3) [~~1-a~~] "Board" means the board of the Texas
14 Department of Motor Vehicles.

15 (4) "Combination license plate" means a license plate
16 issued for a truck or truck-tractor that is used or intended to be
17 used in combination with a semitrailer that has a gross weight of
18 more than 6,000 pounds.

19 (5) "Combined gross weight" means the empty weight of
20 the truck-tractor or commercial motor vehicle combined with the
21 empty weight of the heaviest semitrailer used or to be used in
22 combination with the truck-tractor or commercial motor vehicle plus
23 the heaviest net load to be carried on the combination during the
24 registration year.

25 (6) [~~1-a~~] "Commercial fleet" means a group of at
26 least 25 nonapportioned motor vehicles, semitrailers, or trailers
27 owned, operated, or leased by a corporation, limited or general

1 partnership, limited liability company, or other business entity
2 and used for the business purposes of that entity.

3 (7) [(2)] "Commercial motor vehicle" means a
4 commercial motor vehicle as defined by Section 644.001~~[, other than~~
5 ~~a motorcycle, designed or used primarily to transport property.~~
6 ~~The term includes a passenger car reconstructed and used primarily~~
7 ~~for delivery purposes. The term does not include a passenger car~~
8 ~~used to deliver the United States mail].~~

9 (8) "Construction machinery" means a vehicle that:
10 (A) is used for construction;
11 (B) is built from the ground up;
12 (C) is not mounted or affixed to another vehicle
13 such as a trailer;
14 (D) was originally and permanently designed as
15 machinery;
16 (E) was not in any way originally designed to
17 transport persons or property; and
18 (F) does not carry a load, including fuel.

19 (9) "Credit card" has the meaning assigned by Section
20 501.002.

21 (10) "Debit card" has the meaning assigned by Section
22 501.002.

23 (11) [(3)] "Department" means the Texas Department of
24 Motor Vehicles.

25 (12) "Electric bicycle" has the meaning assigned by
26 Section 541.201.

27 (13) "Electric personal assistive mobility device"

1 has the meaning assigned by Section 551.201.

2 (14) "Empty weight" means the unladen weight of a
3 truck-tractor or commercial motor vehicle and semitrailer
4 combination fully equipped, as certified by a public weigher or
5 license and weight inspector of the Department of Public Safety.

6 (15) [~~4~~] "Farm semitrailer" or "farm trailer" means
7 a vehicle [~~semitrailer~~] designed and used primarily as a farm
8 vehicle.

9 (16) [~~5~~] "Farm tractor" has the meaning assigned by
10 Section 541.201 [~~means a motor vehicle designed and used primarily~~
11 ~~as a farm implement for drawing other implements of husbandry~~].

12 (17) "Forestry vehicle" [~~6~~ "Farm trailer"] means a
13 vehicle [~~trailer~~] designed and used exclusively for transporting
14 forest products in their natural state, including logs, debarked
15 logs, untreated ties, stave bolts, plywood bolts, pulpwood billets,
16 wood chips, stumps, sawdust, moss, bark, and wood shavings, and
17 property used in production of those products [~~primarily as a farm~~
18 ~~vehicle~~].

19 (18) [~~7~~] "Golf cart" means a motor vehicle designed
20 by the manufacturer primarily for use [~~transporting persons~~] on a
21 golf course.

22 (19) "Gross vehicle weight" has the meaning assigned
23 by Section 541.401.

24 (20) [~~8~~] "Implements of husbandry" has the meaning
25 assigned by Section 541.201 [~~means farm implements, machinery, and~~
26 ~~tools as used in tilling the soil, including self-propelled~~
27 ~~machinery specifically designed or adapted for applying plant food~~

1 ~~materials or agricultural chemicals but not specifically designed~~
2 ~~or adapted for the sole purpose of transporting the materials or~~
3 ~~chemicals. The term does not include a passenger car or truck].~~

4 (21) [~~9~~] "Light truck" has the meaning assigned by
5 Section 541.201 [~~means a commercial motor vehicle that has a~~
6 ~~manufacturer's rated carrying capacity of one ton or less].~~

7 (22) [~~10~~] "Moped" has the meaning assigned by
8 Section 541.201.

9 (23) [~~11~~] "Motor bus" includes every vehicle used to
10 transport persons on the public highways for compensation, other
11 than:

12 (A) a vehicle operated by muscular power; or

13 (B) a municipal bus.

14 (24) [~~12~~] "Motorcycle" has the meaning assigned by
15 Section 521.001 or 541.201, as applicable [~~means a motor vehicle~~
16 ~~designed to propel itself with not more than three wheels in contact~~
17 ~~with the ground. The term does not include a tractor].~~

18 (25) [~~13~~] "Motor vehicle" means a vehicle that is
19 self-propelled.

20 (26) "Motorized mobility device" has the meaning
21 assigned by Section 542.009.

22 (27) [~~14~~] "Municipal bus" includes every vehicle,
23 other than a passenger car, used to transport persons for
24 compensation exclusively within the limits of a municipality or a
25 suburban addition to the municipality.

26 (28) "Net carrying capacity" means the heaviest net
27 load that is able to be carried on a vehicle, but not less than the

1 manufacturer's rated carrying capacity.

2 (29) "Oil well servicing, cleanout, or drilling
3 machinery":

4 (A) has the meaning assigned by Section 623.149;
5 or

6 (B) means a mobile crane:

7 (i) that is an unladen, self-propelled
8 vehicle constructed as a machine and used solely to raise, shift, or
9 lower heavy weights by means of a projecting, swinging mast with an
10 engine for power on a chassis permanently constructed or assembled
11 for that purpose; and

12 (ii) for which the owner has secured a
13 permit from the department under Section 623.142.

14 (30) [~~15~~] "Operate temporarily on the highways"
15 means to travel between:

16 (A) different farms;

17 (B) a place of supply or storage and a farm; or

18 (C) an owner's farm and the place at which the
19 owner's farm produce is prepared for market or is marketed.

20 (31) [~~16~~] "Owner" means a person who:

21 (A) holds the legal title of a vehicle;

22 (B) has the legal right of possession of a
23 vehicle; or

24 (C) has the legal right of control of a vehicle.

25 (32) [~~17~~] "Passenger car" has the meaning assigned
26 by Section 541.201 [~~means a motor vehicle, other than a motorcycle,~~
27 ~~golf cart, light truck, or bus, designed or used primarily for the~~

1 ~~transportation of persons~~].

2 (33) "Power sweeper" means an implement, with or
3 without motive power, designed for the removal by a broom, vacuum,
4 or regenerative air system of debris, dirt, gravel, litter, or sand
5 from asphaltic concrete or cement concrete surfaces, including
6 surfaces of parking lots, roads, streets, highways, and warehouse
7 floors. The term includes a vehicle on which the implement is
8 permanently mounted if the vehicle is used only as a power sweeper.

9 (34) "Private bus" means a bus that:

10 (A) is not operated for hire; and

11 (B) is not a municipal bus or a motor bus.

12 (35) [~~18~~] "Public highway" includes a road, street,
13 way, thoroughfare, or bridge:

14 (A) that is in this state;

15 (B) that is for the use of vehicles;

16 (C) that is not privately owned or controlled;

17 and

18 (D) over which the state has legislative
19 jurisdiction under its police power.

20 (36) [~~19~~] "Public property" means property owned or
21 leased by this state or a political subdivision of this state.

22 (37) [~~19-a~~] "Recreational off-highway vehicle"
23 means a motor vehicle that is:

24 (A) equipped with a non-straddle seat for the use
25 of:

26 (i) the rider; and

27 (ii) a passenger, if the vehicle is

1 designed by the manufacturer to transport a passenger;

2 (B) designed to propel itself with four or more
3 tires in contact with the ground;

4 (C) designed by the manufacturer for off-highway
5 use by the operator only; and

6 (D) not designed by the manufacturer primarily
7 for farming or lawn care.

8 (38) [~~20~~] "Road tractor" means a vehicle designed
9 for the purpose of mowing the right-of-way of a public highway or a
10 motor vehicle designed or used for drawing another vehicle or a load
11 and not constructed to carry:

12 (A) an independent load; or

13 (B) a part of the weight of the vehicle and load
14 to be drawn.

15 (39) [~~21~~] "Semitrailer" means a vehicle designed or
16 used with a motor vehicle so that part of the weight of the vehicle
17 and its load rests on or is carried by another vehicle.

18 (40) "Token trailer" means a semitrailer that:

19 (A) has a gross weight of more than 6,000 pounds;

20 and

21 (B) is operated in combination with a truck or a
22 truck-tractor that has been issued:

23 (i) an apportioned license plate;

24 (ii) a combination license plate; or

25 (iii) a forestry vehicle license plate.

26 (41) "Tow truck" means a motor vehicle adapted or used
27 to tow, winch, or otherwise move another motor vehicle.

1 (42) [~~22~~] "Trailer" means a vehicle that:

2 (A) is designed or used to carry a load wholly on
3 its own structure; and

4 (B) is drawn or designed to be drawn by a motor
5 vehicle.

6 (43) "Travel trailer" has the meaning assigned by
7 Section 501.002.

8 (44) [~~23~~] "Truck-tractor" means a motor vehicle:

9 (A) designed and used primarily for drawing
10 another vehicle; and

11 (B) not constructed to carry a load other than a
12 part of the weight of the vehicle and load to be drawn.

13 (45) [~~24~~] "Vehicle" means a device in or by which a
14 person or property is or may be transported or drawn on a public
15 highway, other than a device used exclusively on stationary rails
16 or tracks.

17 SECTION 72. Section 502.0021, Transportation Code, is
18 amended to read as follows:

19 Sec. 502.0021. RULES AND FORMS. (a) The department may
20 adopt rules to administer this chapter.

21 (b) The department shall post forms on the Internet and
22 ~~[(1) prescribe forms determined by the department to~~
23 ~~be necessary for the administration of this chapter; and~~

24 ~~[(2)]~~ provide each county assessor-collector with a
25 sufficient ~~[an adequate]~~ supply of any ~~[each form]~~ necessary forms
26 on request ~~[for the performance of a duty under this chapter by the~~
27 ~~assessor-collector].~~

1 SECTION 73. Section 502.052, Transportation Code, is
2 transferred to Subchapter A, Chapter 502, Transportation Code,
3 redesignated as Section 502.00211, Transportation Code, and
4 amended to read as follows:

5 Sec. 502.00211 [~~502.052~~]. DESIGN OF [~~LICENSE PLATES AND~~]
6 REGISTRATION INSIGNIA[~~, REFLECTORIZED MATERIAL~~]. [~~(a)~~] The
7 department shall prepare the designs and specifications [~~of license~~
8 ~~plates and devices selected by the board~~] to be used as the
9 registration insignia.

10 [~~(b) The department shall design each license plate to~~
11 ~~include a design at least one-half inch wide that represents in~~
12 ~~silhouette the shape of Texas and that appears between letters and~~
13 ~~numerals. The department may omit the silhouette of Texas from~~
14 ~~pecially designed license plates.~~

15 [~~(c) To promote highway safety, each license plate shall be~~
16 ~~made with a reflectORIZED material that provides effective and~~
17 ~~dependable brightness for the period for which the plate is~~
18 ~~issued. The purchase of reflectORIZED material shall be submitted~~
19 ~~to the comptroller for approval.]~~

20 SECTION 74. The heading to Section 502.0023, Transportation
21 Code, is amended to read as follows:

22 Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET
23 [~~MOTOR~~] VEHICLES.

24 SECTION 75. Section 502.0023, Transportation Code, is
25 amended by amending Subsections (a) and (c) and adding Subsection
26 (i) to read as follows:

27 (a) Notwithstanding Section 502.044(c) [~~502.158(e)~~], the

1 department shall develop and implement a system of registration to
2 allow an owner of a commercial fleet to register the motor vehicles,
3 semitrailers, and trailers in the commercial fleet for an extended
4 registration period of not less than one year or more than eight
5 years. The owner may select the number of years for registration
6 under this section within that range and register the commercial
7 fleet for that period. Payment for all registration fees for the
8 entire registration period selected is due at the time of
9 registration.

10 (c) In addition to the registration fees prescribed by this
11 chapter [~~Subchapter D~~], an owner registering a commercial fleet
12 under this section shall pay:

13 (1) an annual commercial fleet registration fee of \$10
14 per motor vehicle, semitrailer, or trailer in the fleet; and

15 (2) except as provided by Subsection (e), a one-time
16 license plate manufacturing fee of \$1.50 for each fleet motor
17 vehicle, semitrailer, or trailer license plate.

18 (i) The department may provide for credits for fleet
19 registration.

20 SECTION 76. Section 502.185, Transportation Code, is
21 transferred to Subchapter A, Chapter 502, Transportation Code,
22 redesignated as Section 502.010, Transportation Code, and amended
23 to read as follows:

24 Sec. 502.010 [~~502.185~~]. COUNTY SCOFFLAW [~~REFUSAL TO~~
25 ~~REGISTER VEHICLE IN CERTAIN COUNTIES~~]. (a) A county
26 assessor-collector or the department may refuse to register a motor
27 vehicle if the assessor-collector or the department receives

1 information that the owner of the vehicle owes the county money for
2 a fine, fee, or tax that is past due.

3 (b) A county may contract with the department to provide
4 information to the department necessary to make a determination
5 under Subsection (a).

6 (c) A county that has a contract under Subsection (b) shall
7 notify the department regarding a person for whom the county
8 assessor-collector or the department has refused to register a
9 motor vehicle on:

10 (1) the person's payment or other means of discharge of
11 the past due fine, fee, or tax; or

12 (2) perfection of an appeal of the case contesting
13 payment of the fine, fee, or tax.

14 (d) After notice is received under Subsection (c), the
15 county assessor-collector or the department may not refuse to
16 register the motor vehicle under Subsection (a).

17 (e) A contract under Subsection (b) must be entered into in
18 accordance with Chapter 791, Government Code, and is subject to the
19 ability of the parties to provide or pay for the services required
20 under the contract.

21 (f) A county that has a contract under Subsection (b) may
22 impose an additional fee to a person paying a fine, fee, or tax to
23 the county after it is past due. The additional fee may be used only
24 to reimburse the department or the county for its expenses for
25 providing services under the contract.

26 (g) In this section:

27 (1) a fine, fee, or tax is considered past due if it is

1 unpaid 90 or more days after the date it is due; and

2 (2) registration of a motor vehicle includes renewal
3 of the registration of the vehicle.

4 (h) This section does not apply to the registration of a
5 motor vehicle under Section 501.0234, unless the vehicle is titled
6 and registered in the name of a person who holds a general
7 distinguishing number.

8 SECTION 77. The heading to Subchapter B, Chapter 502,
9 Transportation Code, is amended to read as follows:

10 SUBCHAPTER B. REGISTRATION REQUIREMENTS [~~STATE ADMINISTRATION~~]

11 SECTION 78. Section 502.002, Transportation Code, is
12 transferred to Subchapter B, Chapter 502, Transportation Code,
13 redesignated as Section 502.040, Transportation Code, and amended
14 to read as follows:

15 Sec. 502.040 [~~502.002~~]. REGISTRATION REQUIRED; GENERAL
16 RULE. (a) Not more than 30 days after purchasing a vehicle or
17 becoming a resident of this state, the [~~The~~] owner of a motor
18 vehicle, trailer, or semitrailer shall apply for the registration
19 of the vehicle for:

20 (1) each registration year in which the vehicle is
21 used or to be used on a public highway; and

22 (2) if the vehicle is unregistered for a registration
23 year that has begun and that applies to the vehicle and if the
24 vehicle is used or to be used on a public highway, the remaining
25 portion of that registration year.

26 (b) The application must be accompanied by personal
27 identification as determined by department rule and made in a

1 manner prescribed by ~~to~~ the department:

2 (1) through the county assessor-collector of the
3 county in which the owner resides; or

4 (2) if the county in which the owner resides has been
5 declared by the governor as a disaster area, through the county
6 assessor-collector of a county that is one of the closest
7 unaffected counties to a county that asks for assistance and:

8 (A) continues to be declared by the governor as a
9 disaster area because the county has been rendered inoperable by
10 the disaster; and

11 (B) is inoperable for a protracted period of
12 time.

13 (c) A provision of this chapter that conflicts with this
14 section prevails over this section to the extent of the conflict.

15 (d) A county assessor-collector, a deputy county
16 assessor-collector, or a person acting on behalf of a county
17 assessor-collector is not liable to any person for:

18 (1) refusing to register a motor vehicle because of
19 the person's failure to submit evidence of residency that complies
20 with the department's rules; or

21 (2) registering a motor vehicle under this section.

22 SECTION 79. Section 502.157, Transportation Code, is
23 transferred to Subchapter B, Chapter 502, Transportation Code,
24 redesignated as Section 502.041, Transportation Code, and amended
25 to read as follows:

26 Sec. 502.041 [~~502.157~~]. INITIAL REGISTRATION. (a)
27 Notwithstanding Section 502.040 [~~502.002~~], [~~when a motor vehicle~~

1 ~~must be registered before an application for a certificate of title~~
2 ~~will be accepted,~~ the owner of a a ~~[the]~~ vehicle may concurrently
3 apply for a ~~[certificate of]~~ title and for registration through the
4 county assessor-collector of the county in which:

5 (1) the owner resides; or

6 (2) the vehicle is purchased or encumbered.

7 (b) The first time an owner applies for registration of a
8 vehicle, the owner may demonstrate compliance with Section
9 502.046(a) ~~[502.153(a)]~~ as to the vehicle by showing proof of
10 financial responsibility in any manner specified in Section
11 502.046(c) ~~[502.153(e)]~~ as to:

12 (1) any vehicle of the owner; or

13 (2) any vehicle used as part of the consideration for
14 the purchase of the vehicle the owner applies to register.

15 SECTION 80. Section 502.152, Transportation Code, is
16 transferred to Subchapter B, Chapter 502, Transportation Code,
17 redesignated as Section 502.042, Transportation Code, and amended
18 to read as follows:

19 Sec. 502.042 ~~[502.152]~~. ~~[CERTIFICATE OF]~~ TITLE REQUIRED
20 FOR REGISTRATION. ~~[(a)]~~ The department may not register or renew
21 the registration of a motor vehicle for which a ~~[certificate of]~~
22 title is required under Chapter 501 unless the owner:

23 (1) obtains a ~~[certificate of]~~ title for the vehicle;

24 or

25 (2) presents satisfactory evidence that a
26 ~~[certificate of]~~ title was previously issued to the owner by the
27 department or another jurisdiction.

1 ~~[(b) This section does not apply to an automobile that was~~
2 ~~purchased new before January 1, 1936.]~~

3 SECTION 81. Section 502.151, Transportation Code, is
4 transferred to Subchapter B, Chapter 502, Transportation Code,
5 redesignated as Section 502.043, Transportation Code, and amended
6 to read as follows:

7 Sec. 502.043 ~~[502.151]~~. APPLICATION FOR REGISTRATION. (a)
8 An application for vehicle registration must:

9 (1) be made in a manner prescribed and include the
10 information required ~~[on a form furnished]~~ by the department by
11 rule; and

12 (2) contain a [the] full description ~~[name and address~~
13 ~~of the owner]~~ of the vehicle as required by department rule [+

14 ~~[(3) contain a brief description of the vehicle,~~

15 ~~[(4) contain any other information required by the~~
16 ~~department, and~~

17 ~~[(5) be signed by the owner].~~

18 (b) The department shall deny the ~~[For a new motor vehicle,~~
19 ~~the description of the vehicle must include the vehicle's:~~

20 ~~[(1) trade name,~~

21 ~~[(2) year model,~~

22 ~~[(3) style and type of body,~~

23 ~~[(4) weight, if the vehicle is a passenger car,~~

24 ~~[(5) net carrying capacity and gross weight, if the~~
25 ~~vehicle is a commercial motor vehicle,~~

26 ~~[(6) vehicle identification number, and~~

27 ~~[(7) date of sale by the manufacturer or dealer to the~~

1 ~~applicant.~~

2 [~~(c)~~ ~~An applicant for~~] registration of a commercial motor
3 vehicle, truck-tractor, trailer, or semitrailer if the applicant:

4 (1) has a business operated, managed, or otherwise
5 controlled or affiliated with a person who is ineligible for
6 registration or whose privilege to operate has been suspended,
7 including the applicant entity, a relative, family member,
8 corporate officer, or shareholder;

9 (2) has a vehicle that has been prohibited from
10 operating by the Federal Motor Carrier Safety Administration for
11 safety-related reasons;

12 (3) is a carrier whose business is operated, managed,
13 or otherwise controlled or affiliated with a person who is
14 ineligible for registration, including the owner, a relative, a
15 family member, a corporate officer, or a shareholder; or

16 (4) fails to [~~must~~] deliver to the county
17 assessor-collector proof of [~~an affidavit showing~~] the weight of
18 the vehicle, the maximum load to be carried on the vehicle, and the
19 gross weight for which the vehicle is to be registered. [~~The~~
20 ~~assessor-collector shall keep the affidavit on file.~~]

21 (c) [~~(d)~~] In lieu of filing an application during a year as
22 provided by Subsection (a), the owner of a vehicle registered in any
23 state for that year or the preceding year may present the
24 registration receipt and transfer receipt, if any. The county
25 assessor-collector shall accept the receipt as an application for
26 renewal of the registration if the receipt indicates the applicant
27 owns the vehicle. This section allows issuance for registration

1 purposes only but does not authorize the department to issue a
2 title.

3 (d) The department may require an applicant for
4 registration to provide current personal identification as
5 determined by department rule. Any identification number required
6 by the department under this subsection may be entered into the
7 department's electronic titling system but may not be printed on
8 the title.

9 ~~[(e) If an owner or claimed owner has lost or misplaced the~~
10 ~~registration receipt or transfer receipt for the vehicle, the~~
11 ~~county assessor-collector shall register the vehicle on the~~
12 ~~person's furnishing to the assessor-collector satisfactory~~
13 ~~evidence, by affidavit or otherwise, that the person owns the~~
14 ~~vehicle.~~

15 ~~[(f) A county assessor-collector shall date each~~
16 ~~registration receipt issued for a vehicle with the date on which the~~
17 ~~application for registration is made.]~~

18 SECTION 82. Section 502.158, Transportation Code, is
19 transferred to Subchapter B, Chapter 502, Transportation Code,
20 redesignated as Section 502.044, Transportation Code, and amended
21 to read as follows:

22 Sec. 502.044 [~~502.158~~]. REGISTRATION PERIOD [~~YEAR~~]. (a)
23 The department shall designate a vehicle registration year of 12
24 consecutive months to begin on the first day of a calendar month and
25 end on the last day of the 12th calendar month.

26 (b) The department shall designate vehicle registration
27 years so as to distribute the work of the department and the county

1 assessor-collectors as uniformly as possible throughout the year.
2 The department may establish separate registration years for any
3 vehicle or classification of vehicle and may adopt rules to
4 administer the year-round registration system.

5 (c) The department may designate a registration period of
6 less than 12 months to be [~~The registration fee for a~~
7 ~~registration period of less than 12 months is~~] computed at a rate of
8 one-twelfth the annual registration fee multiplied by the number of
9 months in the registration period. The board by rule may allow
10 payment of [~~department may not designate a registration period of~~
11 ~~more than 12 months, but:~~

12 [~~(1) with the consent of the department, an owner may~~
13 ~~pay~~] registration fees for a designated period not to exceed the
14 amount of time determined by department rule [~~of more than 12~~
15 ~~months, and~~

16 [~~(2) an owner of a vehicle may pay registration fees~~
17 ~~for a designated period of 12, 24, or 36 months.~~

18 [~~(d) An application for registration shall be made during~~
19 ~~the two months preceding the date on which the registration~~
20 ~~expires.~~

21 [~~(e) The fee to be paid for renewing a registration is the~~
22 ~~fee that will be in effect on the first day of the vehicle~~
23 ~~registration year].~~

24 (d) [~~(g)~~] The department shall issue [~~the applicant for~~
25 ~~registration who pays registration fees for a designated period of~~
26 ~~24 or 36 months]~~ a registration receipt and registration insignia
27 that are valid until the expiration of the designated period.

1 SECTION 83. Section 502.176, Transportation Code, is
 2 transferred to Subchapter B, Chapter 502, Transportation Code,
 3 redesignated as Section 502.045, Transportation Code, and amended
 4 to read as follows:

5 Sec. 502.045 [~~502.176~~]. DELINQUENT REGISTRATION. (a) A
 6 registration fee [~~prescribed by this chapter~~] for a vehicle becomes
 7 delinquent immediately if the vehicle is used on a public highway
 8 without the fee having been paid in accordance with this chapter.

9 (b) An [~~A county assessor-collector that determines that~~
 10 ~~an~~] applicant for registration who provides [~~for which payment of~~
 11 ~~the registration fee is delinquent has provided~~] evidence
 12 [~~acceptable to the assessor-collector sufficient~~] to establish
 13 good reason for delinquent registration and who [~~that the~~
 14 ~~application~~] complies with the other requirements for registration
 15 under this chapter may [~~shall~~] register the vehicle for a 12-month
 16 period that ends on the last day of the 11th month after the month in
 17 which the registration occurs under this subsection. [~~The~~
 18 ~~registration period for vehicles registered in accordance with~~
 19 ~~Sections 502.164, 502.167, 502.203, 502.255, 502.267, 502.277,~~
 20 ~~502.278, 502.293, as added by Chapter 1222, Acts of the 75th~~
 21 ~~Legislature, Regular Session, 1997, and 502.295, as added by~~
 22 ~~Chapter 625, Acts of the 75th Legislature, Regular Session, 1997,~~
 23 ~~will end on the annual registration date, and the registration fees~~
 24 ~~will be prorated.]~~

25 (c) An [~~A county assessor-collector that determines that~~
 26 ~~an~~] applicant for registration who [~~that~~] is delinquent and has not
 27 provided evidence acceptable [~~to the assessor-collector~~

1 ~~sufficient~~] to establish good reason for delinquent registration
2 but who [~~that the application~~] complies with the other requirements
3 for registration under this chapter shall register the vehicle for
4 a 12-month period without changing the initial month of
5 registration.

6 (d) A person who has been arrested or received a citation
7 for a violation of Section 502.472 [~~502.402~~] may register the
8 vehicle being operated at the time of the offense [~~with the county~~
9 ~~assessor-collector~~] for a 12-month period without change to the
10 initial month of registration only if the person:

11 (1) meets the other requirements for registration
12 under this chapter; and

13 (2) pays an additional charge equal to 20 percent of
14 the prescribed fee.

15 (e) The board by rule [~~county assessor-collector~~] shall
16 adopt a list of evidentiary items sufficient to establish good
17 reason for delinquent registration under Subsection (b) and provide
18 for the [~~forms of~~] evidence that may be used to establish good
19 reason under that subsection. [~~The list of evidentiary items~~
20 ~~adopted under this section must allow for delinquent registration~~
21 ~~under Subsection (b) because of:~~

22 [~~(1) extensive repairs on the vehicle,~~

23 [~~(2) the absence of the owner of the vehicle from this~~
24 ~~country,~~

25 [~~(3) seasonal use of the vehicle, or~~

26 [~~(4) any other reason determined by the~~
27 ~~assessor-collector to be a valid explanation for the delinquent~~

1 ~~registration.]~~

2 (f) The board [~~department~~] by rule shall adopt procedures to
3 implement this section in connection with the delinquent
4 registration of a vehicle registered directly with the department
5 or through other means.

6 SECTION 84. Section 502.153, Transportation Code, is
7 transferred to Subchapter B, Chapter 502, Transportation Code,
8 redesignated as Section 502.046, Transportation Code, and amended
9 to read as follows:

10 Sec. 502.046 [~~502.153~~]. EVIDENCE OF FINANCIAL
11 RESPONSIBILITY. (a) Evidence [~~Except as provided by Subsection~~
12 ~~(j), the owner of a motor vehicle, other than a trailer or~~
13 ~~semitrailer, for which evidence] of financial responsibility as
14 [is] required by Section 601.051 other than for a trailer or
15 semitrailer [~~or a person who represents the owner for purposes of~~
16 ~~registering a motor vehicle] shall be submitted [~~submit evidence of~~
17 ~~financial responsibility] with the application for registration
18 under Section 502.043 [~~502.151~~]. A county assessor-collector may
19 not register the motor vehicle unless the owner or the owner's
20 representative submits the evidence of financial responsibility.~~~~~~

21 (b) The county assessor-collector shall examine the
22 evidence of financial responsibility to determine whether it
23 complies with Subsection (c). After examination, [~~examining~~] the
24 evidence [~~, the assessor-collector]~~ shall be returned [~~return the~~
25 ~~evidence]~~ unless it is in the form of a photocopy or an electronic
26 submission.

27 (c) In this section, evidence of financial responsibility

1 may be:

2 (1) a document listed under Section 601.053(a) or
3 verified in compliance with Section 601.452;

4 (2) a liability self-insurance or pool coverage
5 document issued by a political subdivision or governmental pool
6 under the authority of Chapter 791, Government Code, Chapter 119,
7 Local Government Code, or other applicable law in at least the
8 minimum amounts required by Chapter 601;

9 (3) a photocopy of a document described by Subdivision
10 (1) or (2); or

11 (4) an electronic submission of a document or the
12 information contained in a document described by Subdivision (1) or
13 (2).

14 (d) A personal automobile policy used as evidence of
15 financial responsibility under this section must comply with
16 Section 1952.052 et seq. and Sections 2301.051 through 2301.055
17 [Article 5.06 or 5.145], Insurance Code.

18 (e) At the time of registration, the county
19 assessor-collector shall provide to a person registering a motor
20 vehicle a ~~[separate]~~ statement that the motor vehicle ~~[being~~
21 ~~registered]~~ may not be operated in this state unless:

22 (1) liability insurance coverage for the motor vehicle
23 in at least the minimum amounts required by law remains in effect to
24 insure against potential losses; or

25 (2) the motor vehicle is exempt from the insurance
26 requirement because the person has established financial
27 responsibility in a manner described by Sections ~~[Section]~~

1 601.051(2)-(5) or is exempt under Section 601.052.

2 (f) A county assessor-collector is not liable to any person
3 for refusing to register a motor vehicle to which this section
4 applies because of the person's failure to submit evidence of
5 financial responsibility that complies with Subsection (c).

6 (g) A county, a county assessor-collector, a deputy county
7 assessor-collector, a person acting for or on behalf of a county or
8 a county assessor-collector, or a person acting on behalf of an
9 owner for purposes of registering a motor vehicle is not liable to
10 any person for registering a motor vehicle under this section.

11 (h) This section does not prevent a person from registering
12 a motor vehicle by mail or through an electronic submission.

13 (i) To be valid under this section, an electronic submission
14 must be in a format that is:

15 (1) submitted by electronic means, including a
16 telephone, facsimile machine, or computer;

17 (2) approved by the department; and

18 (3) authorized by the commissioners court for use in
19 the county.

20 (j) This section does not apply to a vehicle registered
21 pursuant to Section 501.0234.

22 SECTION 85. Section 502.009, Transportation Code, is
23 transferred to Subchapter B, Chapter 502, Transportation Code,
24 redesignated as Section 502.047, Transportation Code, and amended
25 to read as follows:

26 Sec. 502.047 [~~502.009~~]. MOTOR VEHICLE EMISSIONS INSPECTION
27 AND MAINTENANCE REQUIREMENTS. (a) The Department of Public Safety

1 shall ensure compliance with the motor vehicle emissions inspection
2 and maintenance program through a vehicle inspection sticker-based
3 enforcement system except as provided by this section or Section
4 548.3011. Subsections (b)-(e) apply only if the United States
5 Environmental Protection Agency determines that the state has not
6 demonstrated, as required by 40 C.F.R. Section 51.361, that
7 sticker-based enforcement of the program is more effective than
8 registration-based enforcement and gives the Texas [~~Natural~~
9 ~~Resource Conservation~~] Commission on Environmental Quality or the
10 governor written notification that the reregistration-based
11 enforcement of the program, as described by those subsections, will
12 be required. If Subsections (b)-(e) are made applicable as
13 provided by this subsection, the department shall terminate
14 reregistration-based enforcement of the program under those
15 subsections on the date the United States Environmental Protection
16 Agency gives the Texas [~~Natural Resource Conservation~~] Commission
17 on Environmental Quality or a person the commission designates
18 written notification that reregistration-based enforcement is not
19 required for the state implementation plan.

20 (b) A [~~The department may not register a~~] motor vehicle may
21 not be registered if the department receives from the Texas
22 [~~Natural Resource Conservation~~] Commission on Environmental
23 Quality or the Department of Public Safety notification that the
24 registered owner of the vehicle has not complied with Subchapter F,
25 Chapter 548.

26 (c) A motor vehicle [~~The county tax assessor-collector~~] may
27 not be registered if the [~~register a~~] vehicle was denied

1 registration under Subsection (b) unless ~~[the tax~~
2 ~~assessor-collector has]~~ verification is received that the
3 registered vehicle owner is in compliance with Subchapter F,
4 Chapter 548.

5 (d) The department, the Texas ~~[Natural Resource~~
6 ~~Conservation]~~ Commission on Environmental Quality, and the
7 Department of Public Safety shall enter an agreement regarding the
8 responsibilities for costs associated with implementing this
9 section.

10 (e) A county tax assessor-collector is not liable to any
11 person for refusing to register a motor vehicle because of the
12 person's failure to provide verification of the person's compliance
13 with Subchapter F, Chapter 548.

14 SECTION 86. Section 502.005, Transportation Code, is
15 transferred to Subchapter B, Chapter 502, Transportation Code,
16 redesignated as Section 502.048, Transportation Code, and amended
17 to read as follows:

18 Sec. 502.048 ~~[502.005]~~. REFUSAL TO REGISTER UNSAFE
19 VEHICLE. ~~[(a)]~~ The department may refuse to register a motor
20 vehicle and may cancel, suspend, or revoke a registration if the
21 department determines that a motor vehicle is unsafe, improperly
22 equipped, or otherwise unfit to be operated on a public highway.

23 ~~[(b) The department may refuse to register a motorcycle and~~
24 ~~may suspend or revoke the registration of a motorcycle if the~~
25 ~~department determines that the motorcycle's braking system does not~~
26 ~~comply with Section 547.408.]~~

27 SECTION 87. Section 502.055(b), Transportation Code, is

1 amended to read as follows:

2 (b) The department may require an applicant for
3 registration under this chapter to provide the department with
4 evidence of:

5 (1) the manufacturer's rated carrying capacity for the
6 vehicle; or

7 ~~(2) [the nominal tonnage rating of the vehicle,~~
8 ~~[(3)] the gross vehicle weight rating [of the vehicle,~~
9 ~~or~~

10 ~~[(4) any combination of information described in~~
11 ~~Subdivisions (1)-(3)].~~

12 SECTION 88. Section 502.178, Transportation Code, is
13 transferred to Subchapter B, Chapter 502, Transportation Code,
14 redesignated as Section 502.057, Transportation Code, and amended
15 to read as follows:

16 Sec. 502.057 ~~[502.178]~~. REGISTRATION RECEIPT. ~~[(a)]~~ The
17 department shall issue or require to be issued to the owner of a
18 vehicle registered under this chapter a registration receipt
19 showing the information required by rule [+

20 ~~[(1) the date of issuance,~~
21 ~~[(2) the license number assigned to the vehicle,~~
22 ~~[(3) the name and address of the owner, and~~
23 ~~[(4) other information as determined by the~~
24 ~~department.~~

25 ~~[(b) The registration receipt issued for a commercial motor~~
26 ~~vehicle, truck tractor, trailer, or semitrailer must show the gross~~
27 ~~weight for which the vehicle is registered].~~

1 SECTION 89. Section 502.179, Transportation Code, is
2 transferred to Subchapter B, Chapter 502, Transportation Code,
3 redesignated as Section 502.058, Transportation Code, and amended
4 to read as follows:

5 Sec. 502.058 [~~502.179~~]. DUPLICATE REGISTRATION RECEIPT.

6 (a) The owner of a vehicle for which the registration receipt has
7 been lost or destroyed may obtain a duplicate receipt from the
8 department or the county assessor-collector who issued the original
9 receipt by paying a fee of \$2.

10 (b) The office issuing a duplicate receipt shall retain the
11 fee received [~~as a fee of office~~].

12 SECTION 90. Section 502.180, Transportation Code, is
13 transferred to Subchapter B, Chapter 502, Transportation Code,
14 redesignated as Section 502.059, Transportation Code, and amended
15 to read as follows:

16 Sec. 502.059 [~~502.180~~]. ISSUANCE OF [~~LICENSE PLATE OR~~]
17 REGISTRATION INSIGNIA. (a) On payment of the prescribed fee [~~7~~
18 ~~the department shall issue to~~] an applicant for motor vehicle
19 registration shall be issued a [~~license plate or set of plates or a~~
20 ~~device that, when attached to the vehicle as prescribed by the~~
21 ~~department, is the~~] registration insignia [~~for the period for which~~
22 ~~it was issued~~].

23 (b) [~~Subject to Subchapter I, the department shall issue~~
24 ~~only one license plate or set of plates for a vehicle during a~~
25 ~~five-year period~~].

26 [~~(c)~~] On application and payment of the prescribed fee for a
27 renewal of the registration of a vehicle through the period set by

1 rule [~~for the first, second, third, or fourth registration year~~
2 ~~after the issuance of a license plate or set of plates for the~~
3 ~~vehicle~~], the department shall issue a registration insignia for
4 the validation of the license plate or plates to be attached as
5 provided by Subsection (c) [~~(d)~~].

6 (c) [~~(d)~~] Except as provided by Subsection (f) [~~(h)~~], the
7 registration insignia for validation of a license plate shall be
8 attached to the inside of the vehicle's windshield, if the vehicle
9 has a windshield, within six inches of the place where the motor
10 vehicle inspection sticker is required to be placed. If the vehicle
11 does not have a windshield, the owner, when applying for
12 registration or renewal of registration, shall notify the
13 department, and the department shall issue a distinctive device for
14 attachment to the rear license plate of the vehicle.

15 (d) Department [~~(e) The department shall adopt rules for~~
16 ~~the issuance and use of license plates and registration insignia~~
17 ~~issued under this chapter. The~~] rules may provide for the use of an
18 automated registration process, including:

19 (1) the automated on-site production of registration
20 insignia; and

21 (2) automated on-premises and off-premises
22 self-service registration.

23 (e) Subsection (c) does [~~(f) Subsections (b)-(d) do~~] not
24 apply to:

25 (1) the issuance of specialized license plates as
26 designated by the department, including state official license
27 plates, exempt plates for governmental entities, and temporary

1 registration plates; or

2 (2) the issuance or validation of replacement license
3 plates, except as provided by Chapter 504 [~~Section 502.184~~].

4 (f) [~~(g)~~] ~~The department shall provide a separate and~~
5 ~~distinctive tab to be affixed to the license plate of an automobile,~~
6 ~~pickup, or recreational vehicle that is offered for rent, as a~~
7 ~~business, to any part of the public.~~

8 [~~(h)~~] The registration insignia [~~for validation of a~~
9 ~~license plate~~] shall be attached to the rear license plate of the
10 vehicle, if the vehicle is:

11 (1) a motorcycle;

12 (2) machinery used exclusively to drill water wells or
13 construction machinery for which a distinguishing license plate has
14 been issued under Section 502.146 [~~504.504~~]; or

15 (3) oil well servicing, oil clean out, or oil well
16 drilling machinery or equipment for which a distinguishing license
17 plate has been issued under Subchapter G, Chapter 623.

18 SECTION 91. Section 502.184, Transportation Code, as
19 effective September 1, 2011, is transferred to Subchapter B,
20 Chapter 502, Transportation Code, redesignated as Section 502.060,
21 Transportation Code, and amended to read as follows:

22 Sec. 502.060 [~~502.184~~]. REPLACEMENT OF REGISTRATION
23 INSIGNIA. (a) The owner of a registered motor vehicle may obtain a
24 replacement registration insignia by:

25 (1) certifying that the replacement registration
26 insignia will not be used on any other vehicle owned or operated by
27 the person making the statement;

1 (2) paying a fee of \$6 plus the fees required by
2 Section 502.356(a) [~~502.1705(a)~~] for each replacement registration
3 insignia, except as provided by other law; and

4 (3) returning each replaced registration insignia in
5 the owner's possession.

6 (b) No fee is required under this section if the replacement
7 fee for a license plate has been paid under Section 504.007
8 [~~502.1841~~].

9 (c) [~~The fee for replacement of license plates issued under~~
10 ~~Section 504.507 is the amount prescribed by the department as~~
11 ~~necessary to recover the cost of providing the replacement plates.~~

12 [~~(d) If license plates approved under Section 504.501(b) or~~
13 ~~504.502(c) are lost, stolen, or mutilated, the owner of the vehicle~~
14 ~~may obtain approval of another set of license plates as provided by~~
15 ~~Section 504.501 or 504.502, respectively. The fee for approval of~~
16 ~~replacement license plates is \$5.~~

17 [~~(e)~~] A county assessor-collector may not issue a
18 replacement registration insignia without complying with this
19 section.

20 (d) [~~(f)~~] A county assessor-collector shall retain \$2.50 of
21 each fee collected under this section and shall report and send the
22 remainder to the department.

23 [~~(g) Replacement license plates may be used in the~~
24 ~~registration year in which the plates are issued and during each~~
25 ~~succeeding year of the five-year period as prescribed by Section~~
26 ~~502.180(b) if the registration insignia is properly attached.~~

27 [~~(h) Subsection (g) does not apply to the issuance of~~

1 ~~specialized license plates as designated by the department,~~
2 ~~including state official license plates, exempt plates for~~
3 ~~governmental entities, and temporary registration plates.~~

4 ~~[(i) The owner of a vehicle listed in Section 502.180(h) may~~
5 ~~obtain replacement plates and a replacement registration insignia~~
6 ~~by paying a fee of \$5 plus the fees required by Sections 502.170(a)~~
7 ~~and 502.1705(a).]~~

8 SECTION 92. The heading to Subchapter C, Chapter 502,
9 Transportation Code, is amended to read as follows:

10 SUBCHAPTER C. SPECIAL REGISTRATIONS [~~COUNTY ADMINISTRATION~~]

11 SECTION 93. Section 502.0025, Transportation Code, is
12 transferred to Subchapter C, Chapter 502, Transportation Code,
13 redesignated as Section 502.090, Transportation Code, and amended
14 to read as follows:

15 Sec. 502.090 [~~502.0025~~]. EFFECT OF CERTAIN MILITARY
16 SERVICE ON REGISTRATION REQUIREMENT. (a) This section applies
17 only to a motor vehicle that is owned by a person who:

18 (1) is a resident of this state;

19 (2) is on active duty in the armed forces of the United
20 States;

21 (3) is stationed in or has been assigned to another
22 nation under military orders; and

23 (4) has registered the vehicle or been issued a
24 license for the vehicle under the applicable status of forces
25 agreement by:

26 (A) the appropriate branch of the armed forces of
27 the United States; or

1 (B) the nation in which the person is stationed
2 or to which the person has been assigned.

3 (b) Unless the registration or license issued for a vehicle
4 described by Subsection (a) is suspended, canceled, or revoked by
5 this state as provided by law:

6 (1) Section 502.040(a) [~~502.002(a)~~] does not apply;
7 and

8 (2) the registration or license issued by the armed
9 forces or host nation remains valid and the motor vehicle may be
10 operated in this state under that registration or license for a
11 period of not more than 90 days after the date on which the vehicle
12 returns to this state.

13 SECTION 94. Section 502.054, Transportation Code, is
14 transferred to Subchapter C, Chapter 502, Transportation Code,
15 redesignated as Section 502.091, Transportation Code, and amended
16 to read as follows:

17 Sec. 502.091 [~~502.054~~]. INTERNATIONAL REGISTRATION PLAN
18 [~~AGREEMENTS WITH OTHER JURISDICTIONS, OFFENSE~~]. (a) The
19 department, through its director, may enter into an agreement with
20 an authorized officer of another jurisdiction, including another
21 state of the United States, a foreign country or a state, province,
22 territory, or possession of a foreign country, to provide for:

23 (1) the registration of vehicles by residents of this
24 state and nonresidents on an allocation or mileage apportionment
25 plan, as under the International Registration Plan; and

26 (2) the exemption from payment of registration fees by
27 nonresidents if residents of this state are granted reciprocal

1 exemptions.

2 (b) The department may adopt and enforce rules to carry out
3 the International Registration Plan or other agreement under this
4 section.

5 (c) To carry out the International Registration Plan or
6 other agreement under this section, the department shall direct
7 that fees collected for other jurisdictions under the agreement be
8 deposited to the credit of the proportional registration
9 distributive fund in the state treasury and distributed to the
10 appropriate jurisdiction through that fund. The department is not
11 required to refund any amount less than \$10 unless required by the
12 plan.

13 (d) This section prevails to the extent of conflict with
14 another law relating to the subject of this section.

15 (e) A person commits an offense if the person owns or
16 operates a vehicle not registered in this state in violation of:

17 (1) an agreement under this section; or

18 (2) the applicable registration laws of this state, in
19 the absence of an agreement under this section.

20 (f) An offense under Subsection (e) is a misdemeanor
21 punishable by a fine not to exceed \$200.

22 SECTION 95. Section 502.355, Transportation Code, is
23 transferred to Subchapter C, Chapter 502, Transportation Code,
24 redesignated as Section 502.092, Transportation Code, and amended
25 to read as follows:

26 Sec. 502.092 [~~502.355~~]. NONRESIDENT-OWNED VEHICLES USED
27 TO TRANSPORT FARM PRODUCTS [~~+~~ OFFENSE]. (a) The department may

1 issue to a nonresident owner a permit for a truck, truck-tractor,
2 trailer, or semitrailer that:

3 (1) is registered in the owner's home state or country;

4 and

5 (2) will be used to transport:

6 (A) farm products produced in this state from the
7 place of production to a place of market or storage or a railhead
8 that is not more than 75 miles from the place of production;

9 (B) machinery used to harvest farm products
10 produced in this state; or

11 (C) farm products produced outside this state
12 from the point of entry into this state to a place of market,
13 storage, or processing or a railhead or seaport that is not more
14 than 80 miles from the point of entry.

15 (b) The department shall issue a distinguishing insignia
16 for a vehicle issued a permit under this section. The insignia must
17 be attached to the vehicle in lieu of regular license plates and
18 must show the permit expiration date. A permit issued under this
19 section is valid until the earlier of:

20 (1) the date the vehicle's registration in the owner's
21 home state or country expires; or

22 (2) the 30th day after the date the permit is issued.

23 (c) A person may obtain a permit under this section by:

24 (1) applying to the department in a manner [~~on a form~~]
25 prescribed by the department;

26 (2) paying a fee equal to 1/12 the registration fee
27 prescribed by this chapter for the vehicle;

1 (3) furnishing satisfactory evidence that the motor
2 vehicle is insured under an insurance policy that complies with
3 Section 601.072 and that is written by:

4 (A) an insurance company or surety company
5 authorized to write motor vehicle liability insurance in this
6 state; or

7 (B) with the department's approval, a surplus
8 lines insurer that meets the requirements of Chapter 981, Insurance
9 Code, and rules adopted by the commissioner of insurance under that
10 chapter, if the applicant is unable to obtain insurance from an
11 insurer described by Paragraph (A); and

12 (4) furnishing evidence that the vehicle has been
13 inspected as required under Chapter 548.

14 (d) A nonresident owner may not obtain more than three
15 permits under this section during a registration year.

16 (e) A vehicle for which a permit is issued under this
17 section may not be operated in this state after the permit expires
18 unless the owner:

19 (1) obtains another temporary permit; or

20 (2) registers the vehicle under Section 502.253,
21 502.254, 502.255 [~~502.162~~, ~~502.165~~, ~~502.166~~], or 502.256
22 [~~502.167~~], as appropriate, for the remainder of the registration
23 year.

24 (f) A vehicle for which a permit is issued under this
25 section may not be registered under Section 502.433 [~~502.163~~].

26 (g) A mileage referred to in this section is a state highway
27 mileage.

1 ~~[(h) A person operating a vehicle under a permit issued~~
2 ~~under this section commits an offense if the person:~~

3 ~~[(1) transports farm products to a place of market,~~
4 ~~storage, or processing or a railhead or seaport that is farther from~~
5 ~~the place of production or point of entry, as appropriate, than the~~
6 ~~distance provided for in the permit, or~~

7 ~~[(2) follows a route other than that prescribed by the~~
8 ~~board.~~

9 ~~[(i) An offense under Subsection (h) is a misdemeanor~~
10 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

11 SECTION 96. Section 502.353, Transportation Code, is
12 transferred to Subchapter C, Chapter 502, Transportation Code,
13 redesignated as Section 502.093, Transportation Code, and amended
14 to read as follows:

15 Sec. 502.093 ~~[502.353]~~. ~~[FOREIGN COMMERCIAL VEHICLES,~~
16 ~~ANNUAL PERMITS [OFFENSE]~~. (a) The department may issue an annual
17 permit in lieu of registration to a foreign commercial motor
18 vehicle, trailer, or semitrailer that [+

19 ~~[(1)]~~ is subject to registration in this state [+] and
20 ~~[(2)]~~ is not authorized to travel on a public highway
21 because of the lack of registration in this state or the lack of
22 reciprocity with the state or country in which the vehicle is
23 registered.

24 (b) A permit issued under this section [+
25 ~~[(1) is in lieu of registration, and~~
26 ~~[(2)]~~ is valid for a vehicle registration year to
27 begin on the first day of a calendar month designated by the

1 department and end on the last day of the last calendar month of the
2 registration year.

3 (c) A permit may not be issued under this section for the
4 importation of citrus fruit into this state from a foreign country
5 except for foreign export or processing for foreign export.

6 (d) A person may obtain a permit under this section by:

7 (1) applying in the manner prescribed by [the] the
8 department;

9 (2) paying a fee in the amount required by Subsection
10 (e) in the manner prescribed by the department, including a service
11 charge for a credit card payment or escrow account [cash or by
12 postal money order or certified check]; and

13 (3) furnishing evidence of financial responsibility
14 for the motor vehicle that complies with Sections 502.046(c)
15 [~~502.153(e)~~] and 601.168(a), the policies to be written by an
16 insurance company or surety company authorized to write motor
17 vehicle liability insurance in this state.

18 (e) The fee for a permit under this section is the fee that
19 would be required for registering the vehicle under Section 502.253
20 [~~502.162~~] or 502.255 [~~502.167~~], except as provided by Subsection
21 (f).

22 (f) A vehicle registered under this section is exempt from
23 the token fee and is not required to display the associated
24 distinguishing license plate if the vehicle:

25 (1) is a semitrailer that has a gross weight of more
26 than 6,000 pounds; and

27 (2) is used or intended to be used in combination with

1 a truck tractor or commercial motor vehicle with a gross vehicle
2 weight [~~manufacturer's rated carrying capacity~~] of more than 10,000
3 pounds [~~one ton~~].

4 (g) A vehicle registered under this section is not subject
5 to the fee required by Section 502.401 [~~502.172~~] or 502.403
6 [~~502.173~~].

7 [~~(h) The department may:~~
8 [~~(1) adopt rules to administer this section, and~~
9 [~~(2) prescribe an application for a permit and other~~
10 ~~forms under this section.~~

11 [~~(i) A person who violates this section commits an offense.~~
12 ~~An offense under this section is a misdemeanor punishable by a fine~~
13 ~~not to exceed \$200.]~~

14 SECTION 97. Section 502.352, Transportation Code, is
15 transferred to Subchapter C, Chapter 502, Transportation Code,
16 redesignated as Section 502.094, Transportation Code, and amended
17 to read as follows:

18 Sec. 502.094 [~~502.352~~]. 72- OR 144-HOUR PERMITS [~~FOREIGN~~
19 ~~COMMERCIAL VEHICLES~~]. (a) The department may issue a temporary
20 registration permit in lieu of registration for a commercial motor
21 vehicle, trailer, semitrailer, or motor bus that:

22 (1) is owned by a resident of the United States,
23 Canada, or the United Mexican States;

24 (2) is subject to registration in this state; and

25 (3) is not authorized to travel on a public highway
26 because of the lack of registration in this state or the lack of
27 reciprocity with the state or province in which the vehicle is

1 registered.

2 (b) A permit issued under this section. [+

3 [~~(1) is in lieu of registration, and~~

4 [~~(2)~~] is valid for the period stated on the permit,
5 effective from the date and time shown on the receipt issued as
6 evidence of registration under this section.

7 (c) A person may obtain a permit under this section by:

8 (1) applying to the county assessor-collector, the
9 department, or the department's wire service agent, if the
10 department has a wire service agent;

11 (2) paying a fee of \$25 for a 72-hour permit or \$50 for
12 a 144-hour permit in the manner prescribed by the department that
13 may include a service charge for a credit card payment or escrow
14 account [+

15 [~~(A) in cash,~~

16 [~~(B) by postal money order,~~

17 [~~(C) by certified check,~~

18 [~~(D) by wire transfer through the department's~~
19 ~~wire service agent, if any,~~

20 [~~(E) by an escrow account, or~~

21 [~~(F) where the service is provided, by a credit~~
22 ~~card issued by:~~

23 [~~(i) a financial institution chartered by a~~
24 ~~state or the United States, or~~

25 [~~(ii) a nationally recognized credit~~
26 ~~organization approved by the board,~~

27 [~~(3) paying a discount or service charge for a credit~~

1 ~~card payment or escrow account, in addition to the fee];~~
 2 (3) [~~4~~] furnishing to the county
 3 assessor-collector, the department, or the department's wire
 4 service agent, evidence of financial responsibility for the vehicle
 5 that complies with Sections 502.046(c) [~~502.153(e)~~] and 601.168(a)
 6 [~~and is written by an insurance company or surety company~~
 7 ~~authorized to write motor vehicle liability insurance in this~~
 8 ~~state]; and~~

9 (4) [~~5~~] submitting a copy of the applicable federal
 10 declaration form required by the Federal Motor Carrier Safety
 11 Administration or its successor in connection with the importation
 12 of a motor vehicle or motor vehicle equipment subject to the federal
 13 motor vehicle safety, bumper, and theft prevention standards.

14 (d) A county assessor-collector shall report and send a fee
 15 collected under this section in the manner provided by Section
 16 502.198 [~~Sections 502.102 and 502.105~~]. Each week, a wire service
 17 agent shall send to the department a report of all permits issued by
 18 the agent during the previous week. The board [~~department~~] by rule
 19 shall prescribe the format [~~form~~] and content of a report required
 20 by this subsection.

21 (e) [~~The department may:~~
 22 [~~(1) adopt rules to administer this section, and~~
 23 [~~(2) prescribe an application for a permit and other~~
 24 ~~forms under this section.~~

25 [~~f~~] A vehicle issued a permit under this section is
 26 subject to Subchapters B and F, Chapter 548, unless the vehicle:

27 (1) is registered in another state of the United

1 States, in a province of Canada, or in a state of the United Mexican
2 States; or

3 (2) is mobile drilling or servicing equipment used in
4 the production of gas, crude petroleum, or oil, including a mobile
5 crane or hoisting equipment, mobile lift equipment, forklift, or
6 tug.

7 (f) [~~g~~] A commercial motor vehicle, trailer, semitrailer,
8 or motor bus apprehended for violating a registration law of this
9 state:

10 (1) may not be issued a permit under this section; and

11 (2) is immediately subject to registration in this
12 state.

13 (g) [~~h~~] A person who operates a commercial motor vehicle,
14 trailer, or semitrailer with an expired permit issued under this
15 section is considered to be operating an unregistered vehicle
16 subject to each penalty prescribed by law.

17 (h) [~~i~~] The department may establish one or more escrow
18 accounts in the state highway fund for the prepayment of a 72-hour
19 permit or a 144-hour permit. Any fee established by the department
20 for the administration of this subsection shall be administered as
21 required by an agreement entered into by the department.

22 SECTION 98. Section 502.354, Transportation Code, is
23 transferred to Subchapter C, Chapter 502, Transportation Code,
24 redesignated as Section 502.095, Transportation Code, and amended
25 to read as follows:

26 Sec. 502.095 [~~502.354~~]. ONE-TRIP [~~SINGLE~~] OR 30-DAY TRIP
27 PERMITS [~~+~~ OFFENSE]. (a) The department may issue a temporary

1 permit in lieu of registration for a vehicle [~~that~~
2 [~~(1) is~~] subject to registration in this state that [~~+~~
3 ~~and~~
4 [~~(2)~~] is not authorized to travel on a public highway
5 because of the lack of registration in this state or the lack of
6 reciprocity with the state or country in which the vehicle is
7 registered.

8 (b) A permit issued under this section [~~+~~
9 [~~(1) is in lieu of registration, and~~
10 [~~(2)~~] is valid for:
11 (1) [~~(A)~~] one trip, as provided by Subsection (c); or
12 (2) [~~(B)~~] 30 days, as provided by Subsection (d).

13 (c) A one-trip permit is valid for one trip between the
14 points of origin and destination and those intermediate points
15 specified in the application and registration receipt. Unless the
16 vehicle is a bus operating under charter that is not covered by a
17 reciprocity agreement with the state or country in which the bus is
18 registered, a one-trip permit is for the transit of the vehicle
19 only, and the vehicle may not be used for the transportation of any
20 passenger or property. A one-trip permit may not be valid for
21 longer than 15 days from the effective date of registration.

22 (d) A 30-day permit may be issued only to a passenger
23 vehicle, a private bus, a trailer or semitrailer with a gross weight
24 of not more than 10,000 pounds, a light truck, or a light commercial
25 vehicle with a gross vehicle weight [~~manufacturer's rated carrying~~
26 ~~capacity~~] of more than 10,000 pounds [~~one ton~~] that will operate
27 unladen. A person may obtain multiple 30-day permits. The

1 department may issue a single registration receipt to apply to all
2 of the periods for which the vehicle is registered.

3 (e) A person may obtain a permit under this section by:

4 (1) applying as [~~on a form~~] provided by the department
5 to:

6 (A) the county assessor-collector of the county
7 in which the vehicle will first be operated on a public highway; or

8 (B) the department in Austin or at one of the
9 department's vehicle title and registration regional offices;

10 (2) paying a fee, in the manner prescribed by the
11 department including a registration service charge for a credit
12 card payment or escrow account [~~cash or by postal money order or~~
13 ~~certified check,~~] of:

14 (A) \$5 for a one-trip permit; or

15 (B) \$25 for each 30-day period; and

16 (3) furnishing evidence of financial responsibility
17 for the vehicle in a form listed under Section 502.046(c)
18 [~~502.153(e)~~].

19 (f) A registration receipt [~~and temporary tag~~] shall be
20 carried in the vehicle at all times during the period in which it is
21 valid [~~issued on forms provided by the department~~]. The temporary
22 tag must contain all pertinent information required by this section
23 and must be displayed in the rear window of the vehicle so that the
24 tag is clearly visible and legible when viewed from the rear of the
25 vehicle. If the vehicle does not have a rear window, the temporary
26 tag must be attached on or carried in the vehicle to allow ready
27 inspection. The registration receipt must be carried in the

1 vehicle at all times during the period in which it is valid.

2 (g) The department may refuse and may instruct a county
3 assessor-collector to refuse to issue a temporary registration for
4 any vehicle if, in the department's opinion, the vehicle or the
5 owner of the vehicle has been involved in operations that
6 constitute an abuse of the privilege granted by this section. A
7 registration issued after notice to a county assessor-collector
8 under this subsection is void.

9 ~~[(h) A person issued a temporary registration under this~~
10 ~~section who operates a vehicle in violation of Subsection (f)~~
11 ~~commits an offense. An offense under this subsection is a Class C~~
12 ~~misdemeanor.~~

13 ~~[(i) The department may,~~
14 ~~(1) adopt rules to administer this section, and~~
15 ~~(2) prescribe an application for a permit and other~~
16 ~~forms under this section.]~~

17 SECTION 99. The heading to Subchapter D, Chapter 502,
18 Transportation Code, is amended to read as follows:

19 SUBCHAPTER D. VEHICLES NOT ISSUED REGISTRATION [~~PROCEDURES AND~~
20 ~~FEES~~]

21 SECTION 100. Section 502.006, Transportation Code, is
22 transferred to Subchapter D, Chapter 502, Transportation Code,
23 redesignated as Section 502.140, Transportation Code, and amended
24 to read as follows:

25 Sec. 502.140 [~~502.006~~]. CERTAIN OFF-HIGHWAY VEHICLES.
26 (a) Except as provided by Subsection (b), a person may not register
27 an all-terrain vehicle or a recreational off-highway vehicle, with

1 or without design alterations, for operation on a public highway.

2 (b) The state, a county, or a municipality may register an
3 all-terrain vehicle or a recreational off-highway vehicle for
4 operation on a public beach or highway to maintain public safety and
5 welfare.

6 (c) A recreational off-highway vehicle registered as
7 provided by Subsection (b) may be operated on a public or private
8 beach in the same manner as a golf cart may be operated on a public
9 or private beach under Section 551.403 [~~502.0071~~]. The operator
10 must hold and have in the operator's possession a driver's license
11 issued under Chapter 521 or a commercial driver's license issued
12 under Chapter 522.

13 (d) Section 504.401 [~~502.172~~] does not apply to an
14 all-terrain vehicle or a recreational off-highway vehicle.

15 (e) Operation of an all-terrain vehicle or recreational
16 off-highway vehicle in compliance with Section 663.037 does not
17 require registration under Subsection (b).

18 SECTION 101. Section 502.0072, Transportation Code, is
19 transferred to Subchapter D, Chapter 502, Transportation Code, and
20 redesignated as Section 502.142, Transportation Code, to read as
21 follows:

22 Sec. 502.142 [~~502.0072~~]. MANUFACTURED HOUSING.
23 Manufactured housing, as defined by Section 1201.003, Occupations
24 Code, is not a vehicle subject to this chapter.

25 SECTION 102. Section 502.0073, Transportation Code, is
26 transferred to Subchapter D, Chapter 502, Transportation Code,
27 redesignated as Section 502.143, Transportation Code, and amended

1 to read as follows:

2 Sec. 502.143 [~~502.0073~~]. OTHER VEHICLES [~~POWER SWEEPERS~~].

3 [~~(a)~~] An owner may [~~of a power sweeper is~~] not [~~required to~~]
4 register the following vehicles for operation on a public highway:

- 5 (1) power sweepers;
6 (2) motorized mobility devices;
7 (3) electric personal assistive mobility devices; and
8 (4) electric bicycles [~~sweeper~~].

9 [~~(b) In this section, "power sweeper" means an implement,~~
10 ~~with or without motive power, designed for the removal by broom,~~
11 ~~vacuum, or regenerative air system of debris, dirt, gravel, litter,~~
12 ~~or sand from asphaltic concrete or cement concrete surfaces,~~
13 ~~including surfaces of parking lots, roads, streets, highways, and~~
14 ~~warehouse floors. The term includes a vehicle on which the~~
15 ~~implement is permanently mounted if the vehicle is used only as a~~
16 ~~power sweeper.]~~

17 SECTION 103. Section 502.0078, Transportation Code, is
18 transferred to Subchapter D, Chapter 502, Transportation Code, and
19 redesignated as Section 502.144, Transportation Code, to read as
20 follows:

21 Sec. 502.144 [~~502.0078~~]. VEHICLES OPERATED ON PUBLIC
22 HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL.
23 Where a public highway separates real property under the control of
24 the owner of a motor vehicle, the operation of the motor vehicle by
25 the owner or the owner's agent or employee across the highway is not
26 a use of the motor vehicle on the public highway.

27 SECTION 104. Section 502.0079, Transportation Code, is

1 transferred to Subchapter D, Chapter 502, Transportation Code,
2 redesignated as Section 502.145, Transportation Code, and amended
3 to read as follows:

4 Sec. 502.145 [~~502.0079~~]. VEHICLES OPERATED BY CERTAIN
5 NONRESIDENTS. (a) ~~[A nonresident owner of a motor vehicle,~~
6 ~~trailer, or semitrailer that is registered in the state or country~~
7 ~~in which the person resides may operate the vehicle to transport~~
8 ~~persons or property for compensation without being registered in~~
9 ~~this state, if the person does not exceed two trips in a calendar~~
10 ~~month and each trip does not exceed four days.~~

11 ~~[(b) A nonresident owner of a privately owned vehicle that~~
12 ~~is not registered in this state may not make more than five~~
13 ~~occasional trips in any calendar month into this state using the~~
14 ~~vehicle. Each occasional trip into this state may not exceed five~~
15 ~~days.~~

16 ~~[(e)]~~ A nonresident owner of a privately owned passenger car
17 that is registered in the state or country in which the person
18 resides and that is not operated for compensation may operate the
19 car in this state for the period in which the car's license plates
20 are valid. In this subsection, "nonresident" means a resident of a
21 state or country other than this state whose presence in this state
22 is as a visitor and who does not engage in gainful employment or
23 enter into business or an occupation, except as may otherwise be
24 provided by any reciprocal agreement with another state or country.

25 (b) ~~[(d)]~~ This section does not prevent:

26 (1) a nonresident owner of a motor vehicle from
27 operating the vehicle in this state for the sole purpose of

1 marketing farm products raised exclusively by the person; or

2 (2) a resident of an adjoining state or country from
3 operating in this state a privately owned and registered vehicle to
4 go to and from the person's place of regular employment and to make
5 trips to purchase merchandise, if the vehicle is not operated for
6 compensation.

7 (c) [~~e~~] The privileges provided by this section may be
8 allowed only if, under the laws of the appropriate state or country,
9 similar privileges are granted to vehicles registered under the
10 laws of this state and owned by residents of this state.

11 (d) [~~f~~] This section does not affect the right or status
12 of a vehicle owner under any reciprocal agreement between this
13 state and another state or country.

14 SECTION 105. Section 504.504, Transportation Code, is
15 transferred to Subchapter D, Chapter 502, Transportation Code,
16 redesignated as Section 502.146, Transportation Code, and amended
17 to read as follows:

18 Sec. 502.146 [~~504.504~~]. CERTAIN FARM VEHICLES AND DRILLING
19 AND CONSTRUCTION EQUIPMENT. (a) The department shall issue
20 specialty license plates to a vehicle described by Subsection (b)
21 or (c). The fee for the license plates is \$5.

22 (b) An owner is not required to register a vehicle that is
23 used only temporarily on the highways if the vehicle is:

24 (1) a farm trailer or farm semitrailer with a gross
25 weight of more than 4,000 pounds but not more than 34,000 pounds
26 that is used exclusively to transport:

27 (A) seasonally harvested agricultural products

1 or livestock from the place of production to the place of
2 processing, market, or storage; or

3 (B) farm supplies from the place of loading to
4 the farm;

5 (2) machinery used exclusively for the purpose of
6 drilling water wells; ~~[or]~~

7 (3) oil well servicing or drilling machinery and if at
8 the time of obtaining the license plates, the applicant submits
9 proof that the applicant has a permit under Section 623.142; or

10 (4) construction machinery [~~that is not designed to~~
11 ~~transport persons or property on a public highway~~].

12 (c) An owner is not required to register a vehicle that is:

13 (1) a farm trailer or farm semitrailer owned by a
14 cotton gin and used exclusively to transport agricultural products
15 without charge from the place of production to the place of
16 processing, market, or storage;

17 (2) a trailer used exclusively to transport fertilizer
18 without charge from a place of supply or storage to a farm; or

19 (3) a trailer used exclusively to transport cottonseed
20 without charge from a place of supply or storage to a farm or place
21 of processing.

22 (d) A vehicle described by Subsection (b) is exempt from the
23 inspection requirements of Subchapters B and F, Chapter 548.

24 (e) This section does not apply to a farm trailer or farm
25 semitrailer that:

26 (1) is used for hire;

27 (2) has metal tires operating in contact with the

1 highway;

2 (3) is not equipped with an adequate hitch pinned or
3 locked so that it will remain securely engaged to the towing vehicle
4 while in motion; or

5 (4) is not operated and equipped in compliance with
6 all other law.

7 (f) A vehicle to which this section applies that is operated
8 on a public highway in violation of this section is considered to be
9 operated while unregistered and is immediately subject to the
10 applicable registration fees and penalties prescribed by this
11 chapter [~~Chapter 502~~].

12 (g) In this section, the gross weight of a trailer or
13 semitrailer is the combined weight of the vehicle and the load
14 carried on the highway.

15 SECTION 106. The heading to Subchapter E, Chapter 502,
16 Transportation Code, is amended to read as follows:

17 SUBCHAPTER E. ADMINISTRATION OF FEES [~~SPECIALLY DESIGNATED LICENSE~~
18 ~~PLATES, EXEMPTIONS FOR GOVERNMENTAL AND QUASI-GOVERNMENTAL~~
19 ~~VEHICLES~~]

20 SECTION 107. Section 502.159, Transportation Code, is
21 transferred to Subchapter E, Chapter 502, Transportation Code,
22 redesignated as Section 502.190, Transportation Code, and amended
23 to read as follows:

24 Sec. 502.190 [~~502.159~~]. SCHEDULE OF REGISTRATION FEES.
25 The department shall post [~~compile and furnish to each county~~
26 ~~assessor-collector~~] a complete schedule of registration fees on the
27 Internet [~~to be collected on the various makes, models, and types of~~

1 ~~vehicles~~].

2 SECTION 108. Section 502.004, Transportation Code, is
3 transferred to Subchapter E, Chapter 502, Transportation Code,
4 redesignated as Section 502.191, Transportation Code, and amended
5 to read as follows:

6 Sec. 502.191 [~~502.004~~]. COLLECTION OF FEES. (a) A person
7 may not collect a registration fee under this chapter unless the
8 person is:

9 (1) an officer or employee of the department; or

10 (2) a county assessor-collector or a deputy county
11 assessor-collector.

12 (b) The department may accept electronic payment by
13 electronic funds transfer, credit card, or debit card of any fee
14 that the department is authorized to collect under this chapter.

15 (c) The department may collect a fee for processing a
16 payment by electronic funds transfer, credit card, or debit card in
17 an amount not to exceed the amount of the charges incurred by the
18 department to process the payment.

19 (d) The department may collect the fee set under Section
20 2054.2591, Government Code, from a person making a payment by
21 electronic funds transfer, credit card, or debit card through the
22 online project implemented under Section 2054.252, Government
23 Code.

24 (e) If, for any reason, the payment of a fee under this
25 chapter by electronic funds transfer, credit card, or debit card is
26 not honored by the funding institution or by the electronic funds
27 transfer, credit card, or debit card company on which the funds are

1 drawn, the department may collect from the person who owes the fee
2 being collected a service charge that is for the collection of that
3 original amount and is in addition to the original fee. The amount
4 of the service charge must be reasonably related to the expense
5 incurred by the department in collecting the original amount.

6 SECTION 109. Subchapter E, Chapter 502, Transportation
7 Code, is amended by adding Section 502.192 to read as follows:

8 Sec. 502.192. TRANSFER FEE. The purchaser of a used motor
9 vehicle shall pay, in addition to any fee required under Chapter 501
10 for the transfer of title, a transfer fee of \$2.50 for the transfer
11 of the registration of the motor vehicle. The county
12 assessor-collector may retain as commission for services provided
13 under this subchapter half of each transfer fee collected.

14 SECTION 110. Section 502.181, Transportation Code, is
15 transferred to Subchapter E, Chapter 502, Transportation Code,
16 redesignated as Section 502.193, Transportation Code, and amended
17 to read as follows:

18 Sec. 502.193 [502.181]. PAYMENT [OF REGISTRATION FEE] BY
19 CHECK DRAWN AGAINST INSUFFICIENT FUNDS. (a) A county
20 assessor-collector who receives from any person a check or draft
21 for [drawn on a bank or trust company in] payment of a registration
22 fee for a registration year that has not ended [on a motor vehicle,
23 trailer, or motorcycle sidecar] that is returned unpaid because of
24 insufficient funds or no funds in the bank or trust company to the
25 credit of the drawer of the check or draft shall certify the fact to
26 the sheriff or a constable or highway patrol officer in the county
27 after attempts to contact the person fail to result in the

1 collection of payment. The certification must be made before the
2 30th day after the date the check or draft is returned unpaid and:

- 3 (1) be under the assessor-collector's official seal;
4 (2) include the name and address of the person who gave
5 the [~~assessor-collector the~~] check or draft;
6 (3) include the license plate number and make of the
7 vehicle;
8 (4) be accompanied by the check or draft; and
9 (5) be accompanied by documentation of any attempt to
10 contact the person and collect payment.

11 (b) On receiving a complaint under Subsection (a) from the
12 county assessor-collector, the sheriff, constable, or highway
13 patrol officer shall find the person who gave the
14 [~~assessor-collector the~~] check or draft, if the person is in the
15 county, and demand immediate redemption of the check or draft from
16 the person. If the person fails or refuses to redeem the check or
17 draft, the sheriff, constable, or highway patrol officer shall:

- 18 (1) seize and remove the license plates and
19 registration insignia from the vehicle; and
20 (2) return the license plates and registration
21 insignia to the county assessor-collector.

22 SECTION 111. Section 502.182, Transportation Code, is
23 transferred to Subchapter E, Chapter 502, Transportation Code,
24 redesignated as Section 502.194, Transportation Code, and amended
25 to read as follows:

26 Sec. 502.194 [~~502.182~~]. CREDIT FOR REGISTRATION FEE PAID ON
27 MOTOR VEHICLE SUBSEQUENTLY DESTROYED. (a) The owner of a motor

1 vehicle that is destroyed to the extent that it cannot afterwards be
2 operated on a public highway is entitled to a registration fee
3 credit if the prorated portion of the registration fee for the
4 remainder of the registration year is more than \$15. The owner must
5 claim the credit by [+

6 [~~(1)~~] sending the registration fee receipt [~~and the~~
7 ~~license plates~~] for the vehicle to the department [~~and~~

8 [~~(2)~~ ~~executing a statement on a form provided by the~~
9 ~~department showing that the license plates have been surrendered to~~
10 ~~the department~~].

11 (b) The department, on satisfactory proof that the vehicle
12 is destroyed, shall issue a registration fee credit slip to the
13 owner in an amount equal to the prorated portion of the registration
14 fee for the remainder of the registration year. The owner, during
15 the same or the next registration year, may use the registration fee
16 credit slip as payment or part payment for the registration of
17 another vehicle to the extent of the credit.

18 [~~(c)~~ ~~A statement executed under Subsection (a)(2) shall be~~
19 ~~delivered to a purchaser of the destroyed vehicle. The purchaser~~
20 ~~may surrender the statement to the department in lieu of the vehicle~~
21 ~~license plates.~~

22 [~~(d)~~ ~~The department shall adopt rules to administer this~~
23 ~~section.~~]

24 SECTION 112. Section 502.183, Transportation Code, is
25 transferred to Subchapter E, Chapter 502, Transportation Code,
26 redesignated as Section 502.195, Transportation Code, and amended
27 to read as follows:

1 Sec. 502.195 [~~502.193~~]. REFUND OF OVERCHARGED
2 REGISTRATION FEE. (a) The owner of a motor vehicle [~~that is~~
3 ~~required to be registered~~] who pays an annual registration fee in
4 excess of the statutory amount is entitled to a refund of the
5 overcharge.

6 (b) The county assessor-collector who collects the
7 excessive fee shall refund an overcharge on presentation to the
8 assessor-collector of satisfactory evidence of the overcharge[
9 ~~The owner must make a claim for a refund of an overcharge~~] not later
10 than the first [~~fifth~~] anniversary of the date the excessive
11 registration fee was paid.

12 (c) A refund shall be paid from the fund in which the
13 county's share of registration fees is deposited.

14 SECTION 113. Section 502.051, Transportation Code, is
15 transferred to Subchapter E, Chapter 502, Transportation Code, and
16 redesignated as Section 502.196, Transportation Code, to read as
17 follows:

18 Sec. 502.196 [~~502.051~~]. DEPOSIT OF REGISTRATION FEES IN
19 STATE HIGHWAY FUND. Except as otherwise provided by this chapter,
20 the board and the department shall deposit all money received from
21 registration fees in the state treasury to the credit of the state
22 highway fund.

23 SECTION 114. Section 502.101, Transportation Code, is
24 transferred to Subchapter E, Chapter 502, Transportation Code, and
25 redesignated as Section 502.197, Transportation Code, to read as
26 follows:

27 Sec. 502.197 [~~502.101~~]. REGISTRATION BY MAIL OR ELECTRONIC

1 MEANS; SERVICE CHARGE. (a) A county assessor-collector may
2 collect a service charge of \$1 from each applicant registering a
3 vehicle by mail. The service charge shall be used to pay the costs
4 of handling and postage to mail the registration receipt and
5 insignia to the applicant.

6 (b) With the approval of the commissioners court of a
7 county, a county assessor-collector may contract with a private
8 entity to enable an applicant for registration to use an electronic
9 off-premises location. A private entity may charge an applicant
10 not more than \$1 for the service provided.

11 (c) The department may adopt rules to cover the timely
12 application for and issuance of registration receipts and insignia
13 by mail or through an electronic off-premises location.

14 SECTION 115. Section 502.102, Transportation Code, is
15 transferred to Subchapter E, Chapter 502, Transportation Code,
16 redesignated as Section 502.198, Transportation Code, and amended
17 to read as follows:

18 Sec. 502.198 [~~502.102~~]. DISPOSITION OF FEES GENERALLY.

19 (a) Except as provided by Sections 502.1982 [~~502.103~~] and 502.357
20 [~~502.104~~], this section applies to all fees collected by a county
21 assessor-collector under this chapter.

22 (b) Each Monday, a county assessor-collector shall credit
23 to the county road and bridge fund an amount equal to the net
24 collections made during the preceding week until the amount so
25 credited for the calendar year equals the total of:

26 (1) \$60,000;

27 (2) \$350 for each mile of county road maintained by the

1 county, according to the most recent information available from the
2 department, not to exceed 500 miles; and

3 (3) an additional amount of fees equal to the amount
4 calculated under Section 502.1981 [~~502.1025~~].

5 (c) After the credits to the county road and bridge fund
6 equal the total computed under Subsection (b), each Monday the
7 county assessor-collector shall:

8 (1) credit to the county road and bridge fund an amount
9 equal to 50 percent of the net collections made during the preceding
10 week, until the amount so credited for the calendar year equals
11 \$125,000; and

12 (2) send to the department an amount equal to 50
13 percent of those collections.

14 (d) After the credits to the county road and bridge fund
15 equal the total amounts computed under Subsections (b) and (c)(1),
16 each Monday the county assessor-collector shall send to the
17 department all collections made during the preceding week.

18 [~~(e) Each Monday the county assessor-collector shall send~~
19 ~~to the department a copy of each receipt issued the previous week~~
20 ~~for a registration fee under this chapter.~~]

21 SECTION 116. Section 502.1025, Transportation Code, is
22 transferred to Subchapter E, Chapter 502, Transportation Code,
23 redesignated as Section 502.1981, Transportation Code, and amended
24 to read as follows:

25 Sec. 502.1981 [~~502.1025~~]. CALCULATION OF ADDITIONAL FEE
26 AMOUNTS RETAINED BY A COUNTY. (a) The county tax
27 assessor-collector each calendar year shall calculate five percent

1 of the tax and penalties collected by the county tax
2 assessor-collector under Chapter 152, Tax Code, in the preceding
3 calendar year. In addition, the county tax assessor-collector
4 shall calculate each calendar year an amount equal to five percent
5 of the tax and penalties that the comptroller:

6 (1) collected under Section 152.047, Tax Code, in the
7 preceding calendar year; and

8 (2) determines are attributable to sales in the
9 county.

10 (b) A county tax assessor-collector shall retain under
11 Section 502.198(b) [~~502.102(b)~~] fees based on the following
12 percentage of the amounts calculated under Subsection [~~subsection~~]

13 (a) during each of the following fiscal years:

14 (1) [~~in fiscal year 2006, 90 percent,~~

15 [~~(2) in fiscal year 2007, 80 percent,~~

16 [~~(3) in fiscal year 2008, 70 percent,~~

17 [~~(4) in fiscal year 2009, 60 percent,~~

18 [~~(5) in fiscal year 2010, 50 percent,~~

19 [~~(6) in fiscal year 2011, 40 percent,~~

20 [~~(7)~~] in fiscal year 2012, 30 percent;

21 (2) [~~(8)~~] in fiscal year 2013, 20 percent;

22 (3) [~~(9)~~] in fiscal year 2014, 10 percent;

23 (4) [~~(10)~~] in fiscal year 2015 and succeeding years, 0
24 percent.

25 (c) The county shall credit the amounts retained under
26 Subsection (b) to the county road and bridge fund. Money credited
27 to the fund under this section may only be used for:

- 1 (1) county road construction, maintenance, and
- 2 repair;
- 3 (2) bridge construction, maintenance, and repair;
- 4 (3) the purchase of right-of-way for road or highway
- 5 purposes; or
- 6 (4) the relocation of utilities for road or highway
- 7 purposes.

8 SECTION 117. Section 502.103, Transportation Code, is
9 transferred to Subchapter E, Chapter 502, Transportation Code,
10 redesignated as Section 502.1982, Transportation Code, and amended
11 to read as follows:

12 Sec. 502.1982 [~~502.103~~]. DISPOSITION OF OPTIONAL COUNTY
13 ROAD AND BRIDGE FEE. Each Monday a county assessor-collector shall
14 apportion the collections for the preceding week for a fee imposed
15 under Section 502.401 [~~502.172~~] by:

- 16 (1) crediting an amount equal to 97 percent of the
- 17 collections to the county road and bridge fund; and
- 18 (2) sending to the department an amount equal to three
- 19 percent of the collections to defray the department's costs of
- 20 administering Section 502.401 [~~502.172~~].

21 SECTION 118. Section 502.106, Transportation Code, is
22 transferred to Subchapter E, Chapter 502, Transportation Code,
23 redesignated as Section 502.1983, Transportation Code, and amended
24 to read as follows:

25 Sec. 502.1983 [~~502.106~~]. DEPOSIT OF FEES IN
26 INTEREST-BEARING ACCOUNT. (a) Except as provided by Sections
27 502.1982 [~~502.103~~] and 502.357 [~~502.104~~], a county

1 assessor-collector may:

2 (1) deposit the fees in an interest-bearing account or
3 certificate in the county depository; and

4 (2) send the fees to the department not later than the
5 34th day after the date the fees are due under Section 502.357
6 [~~502.104~~].

7 (b) The county owns all interest earned on fees deposited
8 under this section. The county treasurer shall credit the interest
9 to the county general fund.

10 SECTION 119. Section 502.107, Transportation Code, is
11 transferred to Subchapter E, Chapter 502, Transportation Code, and
12 redesignated as Section 502.1984, Transportation Code, to read as
13 follows:

14 Sec. 502.1984 [~~502.107~~]. INTEREST ON FEES. (a) A fee
15 required to be sent to the department under this chapter bears
16 interest for the benefit of the state highway fund at an annual rate
17 of 10 percent beginning on the 60th day after the date the county
18 assessor-collector collects the fee.

19 (b) The department shall audit the registration and
20 transfer fees collected and disbursed by each county
21 assessor-collector and shall determine the exact amount of interest
22 due on any fee not sent to the department.

23 (c) The state has a claim against a county
24 assessor-collector and the sureties on the assessor-collector's
25 official bond for the amount of interest due on a fee.

26 SECTION 120. Section 502.108, Transportation Code, is
27 transferred to Subchapter E, Chapter 502, Transportation Code,

1 redesignated as Section 502.1985, Transportation Code, and amended
2 to read as follows:

3 Sec. 502.1985 [~~502.108~~]. USE OF REGISTRATION FEES RETAINED
4 BY COUNTY. (a) Money credited to the county road and bridge fund
5 under Section 502.198 [~~502.102~~] or 502.1982 [~~502.103~~] may not be
6 used to pay the compensation of the county judge or a county
7 commissioner. The money may be used only for the construction and
8 maintenance of lateral roads in the county, under the supervision
9 of the county engineer.

10 (b) If there is not a county engineer, the commissioners
11 court of the county may require the services of the department's
12 district engineer or resident engineer to supervise the
13 construction and surveying of lateral roads in the county.

14 (c) A county may use money allocated to it under this
15 chapter to:

16 (1) pay obligations issued in the construction or
17 improvement of any roads, including state highways in the county;

18 (2) improve the roads in the county road system; or

19 (3) construct new roads.

20 (d) To the maximum extent possible, contracts for roads
21 constructed by a county using funds provided under this chapter
22 should be awarded by competitive bids.

23 SECTION 121. Section 502.110, Transportation Code, is
24 transferred to Subchapter E, Chapter 502, Transportation Code, and
25 redesignated as Section 502.1986, Transportation Code, to read as
26 follows:

27 Sec. 502.1986 [~~502.110~~]. CONTINGENT PROVISION FOR

1 DISTRIBUTION OF FEES BETWEEN STATE AND COUNTIES. If the method of
2 distributing vehicle registration fees collected under this
3 chapter between the state and counties is declared invalid because
4 of inequality of collection or distribution of those fees, 60
5 percent of each fee shall be distributed to the county collecting
6 the fee and 40 percent shall be sent to the state in the manner
7 provided by this chapter.

8 SECTION 122. The heading to Subchapter F, Chapter 502,
9 Transportation Code, is amended to read as follows:

10 SUBCHAPTER F. REGULAR REGISTRATION FEES [~~SPECIALIZED LICENSE~~
11 ~~PLATES, EXEMPTIONS FOR PRIVATELY OWNED VEHICLES~~]

12 SECTION 123. Section 502.160, Transportation Code, as
13 effective September 1, 2011, is transferred to Subchapter F,
14 Chapter 502, Transportation Code, and redesignated as Section
15 502.251, Transportation Code, to read as follows:

16 Sec. 502.251 [~~502.160~~]. FEE: MOTORCYCLE OR MOPED. The
17 fee for a registration year for registration of a motorcycle or
18 moped is \$30.

19 SECTION 124. Section 502.161, Transportation Code, as
20 effective September 1, 2011, is transferred to Subchapter F,
21 Chapter 502, Transportation Code, redesignated as Section 502.252,
22 Transportation Code, and amended to read as follows:

23 Sec. 502.252 [~~502.161~~]. FEE: VEHICLES THAT WEIGH 6,000
24 POUNDS OR LESS. (a) The fee for a registration year for
25 registration of a vehicle with a gross weight of 6,000 pounds or
26 less is \$50.75, unless otherwise provided in this chapter.

27 (b) [~~(e)~~] For registration purposes, the weight of a

1 passenger car, a municipal bus, or a private bus is the weight
 2 generally accepted as its correct shipping weight plus 100 pounds.

3 ~~[(d) In this section, "private bus" has the meaning assigned~~
 4 ~~by Section 502.294.]~~

5 SECTION 125. Section 502.162, Transportation Code, as
 6 effective September 1, 2011, is transferred to Subchapter F,
 7 Chapter 502, Transportation Code, redesignated as Section 502.253,
 8 Transportation Code, and amended to read as follows:

9 Sec. 502.253 ~~[502.162]~~. FEE: VEHICLES THAT WEIGH MORE THAN
 10 6,000 POUNDS. ~~[(a)]~~ The fee for a registration year for
 11 registration of a vehicle with a gross weight of more than 6,000
 12 pounds is as follows unless otherwise provided in this chapter:

Weight Classification	Fee Schedule
in pounds	
6,001-10,000	\$54.00
10,001-18,000	\$110.00
18,001-25,999	\$205.00
26,000-40,000	\$340.00
40,001-54,999	\$535.00
55,000-70,000	\$740.00
70,001-80,000	\$840.00

22 ~~[(b) The gross weight of a vehicle is the actual weight of~~
 23 ~~the vehicle, fully equipped with a body and other equipment, as~~
 24 ~~certified by a public weigher or a license and weight inspector of~~
 25 ~~the Department of Public Safety, plus its net carrying capacity.~~

26 ~~[(c) The net carrying capacity of a vehicle other than a bus~~
 27 ~~is the heaviest net load to be carried on the vehicle, but not less~~

1 ~~than the manufacturer's rated carrying capacity.~~

2 ~~[(d) The net carrying capacity of a bus is computed by~~
3 ~~multiplying its seating capacity by 150 pounds. The seating~~
4 ~~capacity of a bus is:~~

5 ~~[(1) the manufacturer's rated seating capacity,~~
6 ~~excluding the operator's seat, or~~

7 ~~[(2) if the manufacturer has not rated the vehicle for~~
8 ~~seating capacity, a number computed by allowing one passenger for~~
9 ~~each 16 inches of seating on the bus, excluding the operator's~~
10 ~~seat.]~~

11 SECTION 126. Section 502.166, Transportation Code, as
12 effective September 1, 2011, is transferred to Subchapter F,
13 Chapter 502, Transportation Code, redesignated as Section 502.254,
14 Transportation Code, and amended to read as follows:

15 Sec. 502.254 [~~502.166~~]. FEE: TRAILER, TRAVEL TRAILER, OR
16 SEMITRAILER. (a) The fee for a registration year for registration
17 of a trailer, travel trailer, or semitrailer with a gross weight of
18 6,000 pounds or less is \$45.00.

19 (b) [~~(a-1)~~] The fee for a registration year for
20 registration of a trailer, travel trailer, or semitrailer with a
21 gross weight of more than 6,000 pounds is calculated by gross weight
22 according to Section 502.253 [~~502.162~~].

23 ~~[(b) The gross weight of a trailer or semitrailer is the~~
24 ~~actual weight of the vehicle, as certified by a public weigher or a~~
25 ~~license and weight inspector of the Department of Public Safety,~~
26 ~~plus its net carrying capacity.~~

27 ~~[(c) The net carrying capacity of a vehicle is the heaviest~~

1 ~~net load to be carried on the vehicle, but not less than the~~
2 ~~manufacturer's rated carrying capacity.~~

3 ~~[(d) The department may issue specially designed license~~
4 ~~plates for rental trailers and travel trailers that include, as~~
5 ~~appropriate, the words "rental trailer" or "travel trailer."]~~

6 ~~[(e) In this section,~~

7 ~~[(1) "Rental fleet" means five or more vehicles that~~
8 ~~are,~~

9 ~~[(A) owned by the same owner,~~

10 ~~[(B) offered for rent or rented without drivers,~~
11 ~~and~~

12 ~~[(C) designated by the owner in the manner~~
13 ~~prescribed by the department as a rental fleet.~~

14 ~~[(2) "Rental trailer" means a utility trailer that,~~

15 ~~[(A) has a gross weight of 4,000 pounds or less,~~
16 ~~and~~

17 ~~[(B) is part of a rental fleet.~~

18 ~~[(3) "Travel trailer" means a house trailer-type~~
19 ~~vehicle or a camper trailer that is,~~

20 ~~[(A) less than eight feet in width or 40 feet in~~
21 ~~length, exclusive of any hitch installed on the vehicle, and~~

22 ~~[(B) designed primarily for use as temporary~~
23 ~~living quarters in connection with recreational, camping, travel,~~
24 ~~or seasonal use and not as a permanent dwelling, provided that~~
25 ~~"travel trailer" shall not include a utility trailer, enclosed~~
26 ~~trailer, or other trailer not having human habitation as its~~
27 ~~primary purpose.]~~

1 SECTION 127. Section 502.167, Transportation Code, as
2 effective September 1, 2011, is transferred to Subchapter F,
3 Chapter 502, Transportation Code, redesignated as Section 502.255,
4 Transportation Code, and amended to read as follows:

5 Sec. 502.255 [~~502.167~~]. TRUCK-TRACTOR OR COMMERCIAL MOTOR
6 VEHICLE COMBINATION FEE; SEMITRAILER TOKEN FEE. (a) This section
7 applies only to a truck-tractor or commercial motor vehicle with a
8 gross weight of more than 10,000 pounds that is used or is to be used
9 in combination with a semitrailer that has a gross weight of more
10 than 6,000 pounds.

11 (b) The fee for a registration year for registration of a
12 truck-tractor or commercial motor vehicle is calculated by gross
13 weight according to Section 502.253 [~~502.162~~].

14 (c) The fee for a registration year for registration of a
15 semitrailer used in the manner described by Subsection (a),
16 regardless of the date the semitrailer is registered, is:

17 (1) \$30, for a semitrailer being propelled by a power
18 unit for which a permit under Section 623.011 has been issued; or

19 (2) \$15, for a semitrailer being propelled by a power
20 unit for which a permit under Section 623.011 has not been issued.

21 (d) A registration made under Subsection (c) is valid only
22 when the semitrailer is used in the manner described by Subsection
23 (a).

24 (e) For registration purposes, a semitrailer converted to a
25 trailer by means of an auxiliary axle assembly retains its status as
26 a semitrailer.

27 (f) A combination of vehicles may not be registered under

1 this section for a combined gross weight of less than 18,000 pounds.

2 (g) This section does not apply to:

3 (1) a combination of vehicles that includes a vehicle
4 that has a distinguishing license plate under Section 502.146
5 [~~504.504~~];

6 (2) a truck-tractor or commercial motor vehicle
7 registered or to be registered with \$5 distinguishing license
8 plates for which the vehicle is eligible under this chapter;

9 (3) a truck-tractor or commercial motor vehicle used
10 exclusively in combination with a semitrailer of the travel trailer
11 [~~housetrailer~~] type; or

12 (4) a vehicle registered or to be registered:

13 (A) with a temporary registration permit;

14 (B) under Section 502.433 [~~502.163~~]; or

15 (C) under Section 502.435 [~~502.188~~].

16 (h) The department may adopt rules to administer this
17 section.

18 (i) The department may issue specially designed license
19 plates for token trailers.

20 (j) A person may register a semitrailer under this section
21 [~~for a registration period of five consecutive years~~] if the
22 person:

23 (1) applies to the department for [~~the five-year~~]
24 registration;

25 (2) provides proof of the person's eligibility to
26 register the vehicle under this subsection as required by the
27 department; and

1 (3) pays a fee of \$15, plus any applicable fee under
2 Section 502.401 [~~502.172~~], for each year included in the
3 registration period.

4 ~~[(k) If during the five-year registration period for a~~
5 ~~vehicle registered under Subsection (j) the amount of a fee imposed~~
6 ~~under that subsection is increased, the owner of the vehicle is~~
7 ~~liable to the department for the amount of the increase. If the~~
8 ~~amount of a fee is decreased, the owner of the vehicle is not~~
9 ~~entitled to a refund.~~

10 ~~[(1) In this section:~~

11 ~~[(1) "Combined gross weight" means the empty weight of~~
12 ~~the truck tractor or commercial motor vehicle combined with the~~
13 ~~empty weight of the heaviest semitrailer used or to be used in~~
14 ~~combination with the truck tractor or commercial motor vehicle plus~~
15 ~~the heaviest net load to be carried on the combination during the~~
16 ~~registration year.~~

17 ~~[(2) "Empty weight" means the unladen weight of the~~
18 ~~truck tractor or commercial motor vehicle and semitrailer~~
19 ~~combination fully equipped, as certified by a public weigher or~~
20 ~~license and weight inspector of the Department of Public Safety.~~

21 ~~[(3) "Token trailer" means a semitrailer that:~~

22 ~~[(A) has a gross weight of more than 6,000~~
23 ~~pounds; and~~

24 ~~[(B) is operated in combination with a truck or a~~
25 ~~truck tractor that has been issued:~~

26 ~~[(i) an apportioned license plate,~~

27 ~~[(ii) a combination license plate, or~~

1 ~~[(iii) a forestry vehicle license plate.~~

2 ~~[(4) "Apportioned license plate" means a license plate~~
3 ~~issued in lieu of truck license plates or combination license~~
4 ~~plates to a motor carrier in this state who proportionally~~
5 ~~registers a vehicle owned by the carrier in one or more other~~
6 ~~states.~~

7 ~~[(5) "Combination license plate" means a license plate~~
8 ~~issued for a truck or truck-tractor that:~~

9 ~~[(A) has a manufacturer's rated carrying~~
10 ~~capacity of more than one ton; and~~

11 ~~[(B) is used or intended to be used in~~
12 ~~combination with a semitrailer that has a gross weight of more than~~
13 ~~6,000 pounds.]~~

14 SECTION 128. Section 502.165, Transportation Code, as
15 effective September 1, 2011, is transferred to Subchapter F,
16 Chapter 502, Transportation Code, redesignated as Section 502.256,
17 Transportation Code, and amended to read as follows:

18 Sec. 502.256 [~~502.165~~]. FEE: ROAD TRACTOR. The fee for a
19 registration year for registration of a road tractor is the fee
20 prescribed by weight as certified by a public weigher or a license
21 and weight inspector of the Department of Public Safety under
22 Section 502.252 [~~502.161~~] or 502.253 [~~502.162~~], as applicable.

23 SECTION 129. The heading to Subchapter G, Chapter 502,
24 Transportation Code, is amended to read as follows:

25 SUBCHAPTER G. ADDITIONAL FEES [~~TEMPORARY REGISTRATION~~]

26 SECTION 130. Section 502.1705, Transportation Code, as
27 effective September 1, 2011, is transferred to Subchapter G,

1 Chapter 502, Transportation Code, redesignated as Section 502.356,
2 Transportation Code, and amended to read as follows:

3 Sec. 502.356 [~~502.1705~~]. [~~ADDITIONAL FEE FOR~~] AUTOMATED
4 REGISTRATION AND TITLING [~~TITLE~~] SYSTEM. (a) In addition to other
5 registration fees for a license plate or set of license plates or
6 other device used as the registration insignia, a fee of \$1 shall be
7 collected.

8 (b) The department may use money collected under this
9 section to provide for or enhance:

10 (1) automated on-premises and off-premises
11 registration; and

12 (2) services related to the titling of vehicles.

13 SECTION 131. Section 502.1715, Transportation Code, as
14 amended by Chapters 892 (S.B. 1670) and 1108 (H.B. 2337), Acts of
15 the 79th Legislature, Regular Session, 2005, is transferred to
16 Subchapter G, Chapter 502, Transportation Code, redesignated as
17 Section 502.357, Transportation Code, and reenacted and amended to
18 read as follows:

19 Sec. 502.357 [~~502.1715~~]. FINANCIAL RESPONSIBILITY
20 [~~ADDITIONAL FEE FOR CERTAIN DEPARTMENT~~] PROGRAMS. (a) In
21 addition to other fees imposed for registration of a motor vehicle,
22 at the time of application for registration or renewal of
23 registration of a motor vehicle for which the owner is required to
24 submit evidence of financial responsibility under Section 502.046
25 [~~502.153~~], the applicant shall pay a fee of \$1. In addition to other
26 fees imposed for registration of a motor vehicle, at the time of
27 application for registration of a motor vehicle that is subject to

1 Section 501.0234, the applicant shall pay a fee of \$1. Fees
2 collected under this section shall be remitted weekly to the
3 department.

4 (b) Fees collected under this section shall be deposited to
5 the credit of the state highway fund. Subject to appropriations,
6 the money shall be used by the Department of Public Safety to:

7 (1) support the Department of Public Safety's
8 reengineering of the driver's license system to provide for the
9 issuance by the Department of Public Safety of a driver's license or
10 personal identification certificate, to include use of image
11 comparison technology;

12 (2) establish and maintain a system to support the
13 driver responsibility program under Chapter 708; and

14 (3) make lease payments to the master lease purchase
15 program for the financing of the driver's license reengineering
16 project.

17 (c) Fees collected under this section shall be deposited to
18 the credit of the state highway fund. Subject to appropriation, the
19 money may be used by the Department of Public Safety, the Texas
20 Department of Insurance, the Department of Information Resources,
21 and the department to carry out Subchapter N, Chapter 601.

22 (d) The Department of Public Safety, the Texas Department of
23 Insurance, the Department of Information Resources, and the
24 department shall jointly adopt rules and develop forms necessary to
25 administer this section.

26 SECTION 132. Section 502.1675, Transportation Code, is
27 transferred to Subchapter G, Chapter 502, Transportation Code,

1 redesignated as Section 502.358, Transportation Code, and amended
2 to read as follows:

3 Sec. 502.358 [~~502.1675~~]. TEXAS EMISSIONS REDUCTION PLAN
4 SURCHARGE. (a) In addition to the registration fees charged under
5 Section 502.255 [~~502.167~~], a surcharge is imposed on the
6 registration of a truck-tractor or commercial motor vehicle under
7 that section in an amount equal to 10 percent of the total fees due
8 for the registration of the truck-tractor or commercial motor
9 vehicle under that section.

10 (b) The county tax assessor-collector shall remit the
11 surcharge collected under this section to the comptroller at the
12 time and in the manner prescribed by the comptroller for deposit in
13 the Texas emissions reduction plan fund.

14 (c) This section expires August 31, 2019.

15 SECTION 133. Section 502.171, Transportation Code, is
16 transferred to Subchapter G, Chapter 502, Transportation Code,
17 redesignated as Section 502.359, Transportation Code, and amended
18 to read as follows:

19 Sec. 502.359 [~~502.171~~]. ADDITIONAL FEE FOR CERTAIN
20 VEHICLES USING DIESEL MOTOR. (a) The registration fee under this
21 chapter for a motor vehicle other than a passenger car, a truck with
22 a gross vehicle weight [~~manufacturer's rated carrying capacity~~] of
23 18,000 pounds [~~two tons~~] or less, or a vehicle registered in
24 combination under Section 502.255 [~~502.167~~] is increased by 11
25 percent if the vehicle has a diesel motor.

26 (b) The [~~A county assessor-collector shall show on the~~]
27 registration receipt for a motor vehicle, other than a passenger

1 car or a truck with a gross vehicle weight [~~manufacturer's rated~~
2 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less, must show
3 that the vehicle has a diesel motor.

4 (c) The department may adopt rules to administer this
5 section.

6 SECTION 134. The heading to Subchapter H, Chapter 502,
7 Transportation Code, is amended to read as follows:

8 SUBCHAPTER H. OPTIONAL FEES [~~OFFENSES AND PENALTIES~~]

9 SECTION 135. Section 502.172, Transportation Code, is
10 transferred to Subchapter H, Chapter 502, Transportation Code,
11 redesignated as Section 502.401, Transportation Code, and amended
12 to read as follows:

13 Sec. 502.401 [~~502.172~~]. OPTIONAL COUNTY FEE FOR ROAD AND
14 BRIDGE FUND. (a) The commissioners court of a county by order may
15 impose an additional fee, not to exceed \$10, for registering a
16 vehicle in the county.

17 (b) A vehicle that may be registered under this chapter
18 without payment of a registration fee may be registered in a county
19 imposing a fee under this section without payment of the additional
20 fee.

21 (c) A fee imposed under this section may take effect only on
22 January 1 of a year. The county must adopt the order and notify the
23 department not later than September 1 of the year preceding the year
24 in which the fee takes effect.

25 (d) A fee imposed under this section may be removed. The
26 removal may take effect only on January 1 of a year. A county may
27 remove the fee only by:

1 (1) rescinding the order imposing the fee; and

2 (2) notifying the department not later than September
3 1 of the year preceding the year in which the removal takes effect.

4 (e) The county assessor-collector of a county imposing a fee
5 under this section shall collect the additional fee for a vehicle
6 when other fees imposed under this chapter are collected.

7 (f) The department shall collect the additional fee on a
8 vehicle that is owned by a resident of a county imposing a fee under
9 this section [~~and~~] that [~~under this chapter,~~] must be registered
10 directly with the department. The department shall send all fees
11 collected for a county under this subsection to the county
12 treasurer to be credited to the county road and bridge fund.

13 (g) The department shall adopt rules [~~and develop forms~~]
14 necessary to administer registration [~~by mail~~] for a vehicle being
15 registered in a county imposing a fee under this section.

16 SECTION 136. Section 502.1725, Transportation Code, is
17 transferred to Subchapter H, Chapter 502, Transportation Code,
18 redesignated as Section 502.402, Transportation Code, and amended
19 to read as follows:

20 Sec. 502.402 [~~502.1725~~]. OPTIONAL COUNTY FEE FOR
21 TRANSPORTATION PROJECTS. (a) This section applies only to a
22 county:

23 (1) that borders the United Mexican States;

24 (2) that has a population of more than 300,000; and

25 (3) in which the largest municipality has a population
26 of less than 300,000.

27 (b) The commissioners court of a county by order may impose

1 an additional fee, not to exceed \$10, for [~~registering~~] a vehicle
2 registered in the county.

3 (c) A vehicle that may be registered under this chapter
4 without payment of a registration fee may be registered [~~in a county~~
5 ~~imposing a fee~~] under this section without payment of the
6 additional fee.

7 (d) A fee imposed under this section may take effect [~~only~~
8 ~~on January 1 of a year. The county must adopt the order~~] and
9 [~~notify the department not later than September 1 of the year~~
10 ~~preceding the year in which the fee takes effect.~~

11 [~~(e) A fee imposed under this section may~~] be removed in
12 accordance with the requirements of Section 502.401[~~. The removal~~
13 ~~may take effect only on January 1 of a year. A county may remove the~~
14 ~~fee only by:~~

15 [(1) ~~rescinding the order imposing the fee, and~~
16 [(2) ~~notifying the department not later than September~~
17 ~~1 of the year preceding the year in which the removal takes effect~~].

18 (e) [(f)] The [~~county assessor-collector of a county~~
19 ~~imposing a fee under this section shall collect the~~] additional fee
20 shall be collected for a vehicle when other fees imposed under this
21 chapter are collected. The [~~county shall send the~~] fee revenue
22 collected shall be sent to the regional mobility authority of the
23 county to fund long-term transportation projects in the county.

24 (f) [(g)] ~~The department shall collect the additional fee on~~
25 ~~a vehicle that is owned by a resident of a county imposing a fee~~
26 ~~under this section and that, under this chapter, must be registered~~
27 ~~directly with the department. The department shall send all fees~~

1 ~~collected for a county under this subsection to the regional~~
2 ~~mobility authority of the county to fund long-term transportation~~
3 ~~projects in the county.~~

4 ~~(h)~~ The department shall adopt rules ~~[and develop forms]~~
5 necessary to administer registration ~~[by mail]~~ for a vehicle being
6 registered in a county imposing a fee under this section.

7 SECTION 137. Section 502.173, Transportation Code, is
8 transferred to Subchapter H, Chapter 502, Transportation Code,
9 redesignated as Section 502.403, Transportation Code, and amended
10 to read as follows:

11 Sec. 502.403 ~~[502.173]~~. OPTIONAL COUNTY FEE FOR CHILD
12 SAFETY. (a) The commissioners court of a county that has a
13 population greater than 1.3 million and in which a municipality
14 with a population of more than one million is primarily located may
15 impose by order an additional fee of not less than 50 cents or more
16 than \$1.50 for ~~[registering]~~ a vehicle registered in the county.
17 The commissioners court of any other county may impose by order an
18 additional fee of not more than \$1.50 for registering a vehicle in
19 the county.

20 (b) A vehicle that may be registered under this chapter
21 without payment of a registration fee may be registered ~~[in a county~~
22 ~~imposing a fee under this section]~~ without payment of the
23 additional fee.

24 (c) A fee imposed under this section may take effect ~~[only~~
25 ~~on January 1 of a year. The county must adopt the order]~~ and ~~[notify~~
26 ~~the department not later than September 10 of the year preceding the~~
27 ~~year in which the fee takes effect.~~

1 ~~[(d) A fee imposed under this section may]~~ be removed in
 2 accordance with the provisions of Section 502.401. ~~[The removal~~
 3 ~~may take effect only on January 1 of a year. A county may remove the~~
 4 ~~fee only by:~~

5 ~~[(1) rescinding the order imposing the fee, and~~
 6 ~~[(2) notifying the department not later than September~~
 7 ~~1 of the year preceding the year in which the removal takes effect.]~~

8 (d) ~~[(e)]~~ The ~~[county assessor collector of a county~~
 9 ~~imposing a fee under this section shall collect the]~~ additional fee
 10 shall be collected for a vehicle when other fees imposed under this
 11 chapter are collected.

12 (e) ~~[(f)]~~ A county imposing a fee under this section may
 13 deduct for administrative costs an amount of not more than 10
 14 percent of the revenue it receives from the fee. The county may
 15 also deduct from the fee revenue an amount proportional to the
 16 percentage of county residents who live in unincorporated areas of
 17 the county. After making the deductions provided for by this
 18 subsection, the county shall send the remainder of the fee revenue
 19 to the municipalities in the county according to their population.

20 (f) ~~[(g)]~~ A municipality with a population greater than
 21 850,000 shall deposit revenue from a fee imposed under this
 22 subsection to the credit of the child safety trust fund created
 23 under Section 106.001, Local Government Code. A municipality with a
 24 population less than 850,000 shall use revenue from a fee imposed
 25 under this section in accordance with Article 102.014(g), Code of
 26 Criminal Procedure.

27 (g) ~~[(h)]~~ After deducting administrative costs, a county

1 may use revenue from a fee imposed under this section only for a
2 purpose permitted by Article 102.014(g) [~~Subsection (g), Article~~
3 ~~102.014~~], Code of Criminal Procedure.

4 SECTION 138. Section 502.174, Transportation Code, is
5 transferred to Subchapter H, Chapter 502, Transportation Code,
6 redesignated as Section 502.404, Transportation Code, and amended
7 to read as follows:

8 Sec. 502.404 [~~502.174~~]. VOLUNTARY ASSESSMENT FOR YOUNG
9 FARMER LOAN GUARANTEES. (a) When a person registers a commercial
10 motor vehicle under Section 502.433 [~~502.163~~], the person shall pay
11 a voluntary assessment of \$5.

12 (b) The county assessor-collector shall send an assessment
13 collected under this section to the comptroller, at the time and in
14 the manner prescribed by the Texas Agricultural Finance Authority,
15 for deposit in the Texas agricultural fund.

16 (c) The Texas Agricultural Finance Authority shall
17 prescribe procedures under which an assessment collected under this
18 section may be refunded. The county assessor-collector of the
19 county in which an assessment is collected shall:

- 20 (1) implement the refund procedures; and
21 (2) provide notice of those procedures to a person
22 paying an assessment at the time of payment.

23 SECTION 139. Section 502.1745, Transportation Code, is
24 transferred to Subchapter H, Chapter 502, Transportation Code,
25 redesignated as Section 502.405, Transportation Code, and amended
26 to read as follows:

27 Sec. 502.405 [~~502.1745~~]. DONOR EDUCATION, AWARENESS, AND

1 REGISTRY PROGRAM [~~VOLUNTARY FEE~~]. (a) The department shall
2 provide to each county assessor-collector the educational
3 materials for prospective donors provided as required by the Donor
4 Education, Awareness, and Registry Program of Texas under Chapter
5 49, Health and Safety Code. The [A county assessor-collector shall
6 ~~make the]~~ educational materials shall be made available in each
7 office authorized to accept applications for registration of motor
8 vehicles.

9 (b) A person may elect to pay [~~county assessor-collector~~
10 ~~shall collect]~~ an additional fee of \$1 for the registration or
11 renewal of registration of a motor vehicle to pay the costs of the
12 Donor Education, Awareness, and Registry Program of Texas,
13 established under Chapter 49, Health and Safety Code, and of the
14 Texas Organ, Tissue, and Eye Donor Council, established under
15 Chapter 113, Health and Safety Code [~~, if the person registering or~~
16 ~~renewing the registration of a motor vehicle opts to pay the~~
17 ~~additional fee]~~. Notwithstanding any other provision of this
18 chapter, [~~the county assessor-collector shall remit]~~ all fees
19 collected under this subsection shall be remitted to the
20 comptroller, who shall maintain the identity of the source of the
21 fees.

22 (c) Three percent of all money collected under this section
23 may be appropriated only to the department to administer this
24 section.

25 SECTION 140. The heading to Subchapter I, Chapter 502,
26 Transportation Code, is amended to read as follows:

1 SUBCHAPTER I. ALTERNATE REGISTRATION FEES [~~TRANSFER AND REMOVAL OF~~
2 ~~LICENSE PLATES FOR THE SALE OR TRANSFER OF USED VEHICLES~~]

3 SECTION 141. Section 502.164, Transportation Code, is
4 transferred to Subchapter I, Chapter 502, Transportation Code, and
5 redesignated as Section 502.431, Transportation Code, to read as
6 follows:

7 Sec. 502.431 [~~502.164~~]. FEE: MOTOR VEHICLE USED
8 EXCLUSIVELY TO TRANSPORT AND SPREAD FERTILIZER. The fee for a
9 registration year for registration of a motor vehicle designed or
10 modified and used exclusively to transport to the field and spread
11 fertilizer, including agricultural limestone, is \$75.

12 SECTION 142. Section 502.1586, Transportation Code, is
13 transferred to Subchapter I, Chapter 502, Transportation Code,
14 redesignated as Section 502.432, Transportation Code, and amended
15 to read as follows:

16 Sec. 502.432 [~~502.1586~~]. [~~REGISTRATION PERIOD FOR~~
17 ~~TRUCK-TRACTOR OR COMMERCIAL MOTOR~~] VEHICLE TRANSPORTING SEASONAL
18 AGRICULTURAL PRODUCTS. (a) The department shall provide for a
19 monthly registration period for a truck-tractor or a commercial
20 motor vehicle [~~that~~]:

21 (1) that is used exclusively to transport a seasonal
22 agricultural product; [~~and~~]

23 (2) that would otherwise be registered for a vehicle
24 registration year; and

25 (3) for which the owner can show proof of payment of
26 the heavy vehicle use tax or exemption.

27 (b) The department shall [~~adopt forms for registration~~]

1 ~~under this section. An applicant must indicate the number of months~~
2 ~~registration is applied for.~~

3 [~~(c)~~ ~~The department shall design,~~] prescribe [~~7~~ and
4 ~~furnish~~] a registration receipt that is valid until the expiration
5 of the designated registration period.

6 (c) [~~(d)~~] The registration fee for a registration under
7 this section is computed at a rate of one-twelfth the annual
8 registration fee under Section 502.253 [~~502.162~~], 502.255
9 [~~502.163~~], or 502.433 [~~502.167~~], as applicable, multiplied by the
10 number of months in the registration period specified in the
11 application for the registration, which may not be less than one
12 month or longer than six months.

13 (d) [~~(e)~~ ~~A person issued a registration under this section~~
14 ~~commits an offense if the person, during the registration period~~
15 ~~for the truck-tractor or commercial motor vehicle, uses the~~
16 ~~truck-tractor or commercial motor vehicle for a purpose other than~~
17 ~~to transport a seasonal agricultural product.~~

18 [~~(f)~~ ~~A truck-tractor or commercial motor vehicle may not be~~
19 ~~registered under this section for a registration period that is~~
20 ~~less than one month or longer than six months.~~

21 [~~(g)~~] For purposes of this section, "to transport a seasonal
22 agricultural product" includes any transportation activity
23 necessary for the production, harvest, or delivery of an
24 agricultural product that is produced seasonally.

25 SECTION 143. Section 502.163, Transportation Code, is
26 transferred to Subchapter I, Chapter 502, Transportation Code,
27 redesignated as Section 502.433, Transportation Code, and amended

1 to read as follows:

2 Sec. 502.433 [~~502.163~~]. FEE: COMMERCIAL FARM MOTOR VEHICLE
3 [~~USED PRIMARILY FOR FARM PURPOSES, OFFENSE~~]. (a) The registration
4 fee for a commercial motor vehicle as a farm vehicle is 50 percent
5 of the applicable fee under Section 502.253 [~~502.162~~] if the
6 vehicle's owner will use the vehicle for commercial purposes only
7 to transport:

8 (1) the person's own poultry, dairy, livestock,
9 livestock products, timber in its natural state, or farm products
10 to market or another place for sale or processing;

11 (2) laborers from their place of residence to the
12 owner's farm or ranch; or

13 (3) without charge, materials, tools, equipment, or
14 supplies from the place of purchase or storage to the owner's farm
15 or ranch exclusively for the owner's use or for use on the farm or
16 ranch.

17 (b) A commercial motor vehicle may be registered under this
18 section despite its use for transporting without charge the owner
19 or a member of the owner's family:

20 (1) to attend church or school;

21 (2) to visit a doctor for medical treatment or
22 supplies; or

23 (3) for other necessities of the home or family.

24 (c) Subsection (b) does not permit the use of a vehicle
25 registered under this section in connection with gainful employment
26 other than farming or ranching.

27 (d) The department shall provide distinguishing license

1 plates for a vehicle registered under this section.

2 ~~[(e) The owner of a commercial motor vehicle registered~~
3 ~~under this section commits an offense if the person uses or permits~~
4 ~~to be used the vehicle for a purpose other than one permitted by~~
5 ~~this section. Each use or permission for use in violation of this~~
6 ~~section is a separate offense.~~

7 ~~[(f) An offense under this section is a misdemeanor~~
8 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

9 SECTION 144. Section 502.351, Transportation Code, is
10 transferred to Subchapter I, Chapter 502, Transportation Code,
11 redesignated as Section 502.434, Transportation Code, and amended
12 to read as follows:

13 Sec. 502.434 ~~[502.351]~~. FARM VEHICLES: EXCESS WEIGHT. (a)
14 The owner of a registered commercial motor vehicle, truck-tractor,
15 trailer, or semitrailer may obtain a short-term permit to haul
16 loads of a weight more than that for which the vehicle is registered
17 by paying an additional fee before the additional weight is hauled
18 to transport:

19 (1) the person's own seasonal agricultural products to
20 market or another point for sale or processing;

21 (2) seasonal laborers from their place of residence to
22 a farm or ranch; or

23 (3) materials, tools, equipment, or supplies, without
24 charge, from the place of purchase or storage to a farm or ranch
25 exclusively for use on the farm or ranch.

26 (b) A permit may not be issued under this section for a
27 period that is less than one month or that:

1 (1) is greater than one year; or
2 (2) extends beyond the expiration of the registration
3 year for the vehicle.

4 (c) A permit issued under this section for a quarter must be
5 for a calendar quarter.

6 (d) The fee for a permit under this section is a percentage
7 of the difference between the registration fee otherwise prescribed
8 [~~by this chapter~~] for the vehicle and the annual fee for the desired
9 weight, as follows:

10 One month (30 consecutive days)	10 percent
11 One quarter	30 percent
12 Two quarters	60 percent
13 Three quarters	90 percent

14 (e) The department shall design, prescribe, and furnish a
15 sticker, plate, or other means of indicating the additional weight
16 and the registration period for each vehicle registered under this
17 section.

18 SECTION 145. Section 502.188, Transportation Code, is
19 transferred to Subchapter I, Chapter 502, Transportation Code,
20 redesignated as Section 502.435, Transportation Code, and amended
21 to read as follows:

22 Sec. 502.435 [~~502.188~~]. CERTAIN SOIL CONSERVATION
23 EQUIPMENT. (a) The owner of a truck-tractor, semitrailer, or
24 low-boy trailer used on a highway exclusively to transport the
25 owner's soil conservation machinery or equipment used in clearing
26 real property, terracing, or building farm ponds, levees, or
27 ditches may register the vehicle for a fee equal to 50 percent of

1 the fee otherwise prescribed by this chapter for the vehicle.

2 (b) An owner may register only one truck-tractor and only
3 one semitrailer or low-boy trailer under this section.

4 (c) An owner [~~applying for registration under this section~~]
5 must certify [~~submit a statement~~] that the vehicle is to be used
6 only as provided by Subsection (a).

7 (d) The registration receipt issued for a vehicle
8 registered under this section must be carried in or on the vehicle
9 and [~~shall~~] state the nature of the operation for which the vehicle
10 may be used. [~~The receipt must be carried at all times in or on the~~
11 ~~vehicle to permit ready inspection.~~]

12 (e) A vehicle to which this section applies that is operated
13 on a public highway in violation of this section is considered to be
14 operated while unregistered and is immediately subject to the
15 applicable registration fees and penalties prescribed by this
16 chapter.

17 SECTION 146. Chapter 502, Transportation Code, is amended
18 by adding Subchapter J to read as follows:

19 SUBCHAPTER J. REGISTRATIONS EXEMPT FROM FEES

20 SECTION 147. Section 502.201, Transportation Code, as
21 effective September 1, 2011, is transferred to Subchapter J,
22 Chapter 502, Transportation Code, as added by this Act,
23 redesignated as Section 502.451, Transportation Code, and amended
24 to read as follows:

25 Sec. 502.451 [~~502.201~~]. [~~LICENSE PLATES FOR~~] EXEMPT
26 VEHICLES. (a) Before license plates are issued or delivered to
27 the owner of a vehicle that is exempt by law from payment of

1 registration fees, the department must approve the application for
2 registration. The department may not approve an application if
3 there is the appearance that:

4 (1) the vehicle was transferred to the owner or
5 purported owner:

6 (A) for the sole purpose of evading the payment
7 of registration fees; or

8 (B) in bad faith; or

9 (2) the vehicle is not being used in accordance with
10 the exemption requirements.

11 (b) The department shall revoke the registration of a
12 vehicle issued license plates under this section and may recall the
13 plates if the vehicle is no longer:

14 (1) owned and operated by the person whose ownership
15 of the vehicle qualified the vehicle for the exemption; or

16 (2) used in accordance with the exemption
17 requirements.

18 (c) [~~d~~] The department shall provide by rule for the
19 issuance of specially designated license plates for vehicles that
20 are exempt by law. Except as provided by Subsection (f) [~~g~~], the
21 license plates must bear the word "exempt."

22 (d) [~~e~~] A license plate under Subsection (c) [~~d~~] is not
23 issued annually, but remains on the vehicle until:

24 (1) the registration is revoked as provided by
25 Subsection (b); or

26 (2) the plate is lost, stolen, or mutilated.

27 (e) [~~f~~] A person who operates on a public highway a

1 vehicle after the registration has been revoked is liable for the
2 penalties for failing to register a vehicle.

3 (f) [~~g~~] The department shall provide by rule for the
4 issuance of regularly designed license plates not bearing the word
5 "exempt" for a vehicle that is exempt by law and that is:

6 (1) a law enforcement vehicle, if the agency certifies
7 to the department that the vehicle will be dedicated to law
8 enforcement activities;

9 (2) a vehicle exempt from inscription requirements
10 under a rule adopted as provided by Section 721.003; or

11 (3) a vehicle exempt from inscription requirements
12 under an order or ordinance adopted by a governing body of a
13 municipality or commissioners court of a county as provided by
14 Section 721.005, if the applicant presents a copy of the order or
15 ordinance.

16 SECTION 148. Section 502.2015, Transportation Code, is
17 transferred to Subchapter J, Chapter 502, Transportation Code, as
18 added by this Act, redesignated as Section 502.452, Transportation
19 Code, and amended to read as follows:

20 Sec. 502.452 [~~502.2015~~]. LIMITATION ON ISSUANCE OF EXEMPT
21 LICENSE PLATES; SEIZURE OF CERTAIN VEHICLES. (a) The department
22 may not issue exempt license plates for a vehicle owned by the
23 United States, this state, or a political subdivision of this state
24 unless when application is made for registration of the vehicle,
25 the person who under Section 502.453 [~~502.202~~] has authority to
26 certify to the department that the vehicle qualifies for
27 registration under that section also certifies in writing to the

1 department that there is printed on each side of the vehicle, in
2 letters that are at least two inches high or in an emblem that is at
3 least 100 square inches in size, the name of the agency, department,
4 bureau, board, commission, or officer of the United States, this
5 state, or the political subdivision of this state that has custody
6 of the vehicle. The letters or emblem must be of a color
7 sufficiently different from the body of the vehicle to be clearly
8 legible from a distance of 100 feet.

9 (b) The department may not issue exempt license plates for a
10 vehicle owned by a person other than the United States, this state,
11 or a political subdivision of this state unless, when application
12 is made for registration of the vehicle, the person who under
13 Section 502.453 [~~502.202~~] has authority to certify to the
14 department that the vehicle qualifies for registration under that
15 section also certifies in writing to the department that the name of
16 the owner of the vehicle is printed on the vehicle in the manner
17 prescribed by Subsection (a).

18 (c) A peace officer listed in Article 2.12, Code of Criminal
19 Procedure, may seize a motor vehicle displaying exempt license
20 plates if the vehicle is:

21 (1) operated on a public highway; and
22 (2) not identified in the manner prescribed by
23 Subsection (a) or (b), unless the vehicle is covered by Subsection
24 (f).

25 (d) A peace officer who seizes a motor vehicle under
26 Subsection (c) may require that the vehicle be:

27 (1) moved to the nearest place of safety off the

1 main-traveled part of the highway; or

2 (2) removed and placed in the nearest vehicle storage
3 facility designated or maintained by the law enforcement agency
4 that employs the peace officer.

5 (e) To obtain the release of the vehicle, in addition to any
6 other requirement of law, the owner of a vehicle seized under
7 Subsection (c) must:

8 (1) remedy the defect by identifying the vehicle as
9 required by Subsection (a) or (b); or

10 (2) agree in writing with the law enforcement agency
11 to provide evidence to that agency, before the 10th day after the
12 date the vehicle is released, that the defect has been remedied by
13 identifying the vehicle as required by Subsection (a) or (b).

14 (f) Subsections (a) and (b) do not apply to a vehicle to
15 which Section 502.451(f) [~~502.201(g) or 502.206~~] applies.

16 (g) For purposes of this section, an exempt license plate is
17 a license plate issued by the department that is plainly marked with
18 the word "exempt."

19 SECTION 149. Section 502.202, Transportation Code, is
20 transferred to Subchapter J, Chapter 502, Transportation Code, as
21 added by this Act, redesignated as Section 502.453, Transportation
22 Code, and amended to read as follows:

23 Sec. 502.453 [~~502.202~~]. GOVERNMENT-OWNED VEHICLES; PUBLIC
24 SCHOOL BUSES; FIRE-FIGHTING VEHICLES; COUNTY MARINE LAW
25 ENFORCEMENT VEHICLES. (a) The owner of a motor vehicle, trailer,
26 or semitrailer may annually apply for registration under Section
27 502.451 [~~502.201~~] and is exempt from the payment of a registration

1 fee under this chapter if the vehicle is:

2 (1) owned by and used exclusively in the service of:

3 (A) the United States;

4 (B) this state; or

5 (C) a county, municipality, or school district in
6 this state;

7 (2) owned by a commercial transportation company and
8 used exclusively to provide public school transportation services
9 to a school district under Section 34.008, Education Code;

10 (3) designed and used exclusively for fire fighting;

11 (4) owned by a volunteer fire department and used
12 exclusively in the conduct of department business; [~~or~~]

13 (5) privately owned and used by a volunteer
14 exclusively in county marine law enforcement activities, including
15 rescue operations, under the direction of the sheriff's department;
16 or

17 (6) used by law enforcement under an alias for covert
18 criminal investigations.

19 (b) An application for registration under this section must
20 be made by a person having the authority to certify that the vehicle
21 meets the exemption requirements prescribed by Subsection (a). An
22 application for registration under this section of a fire-fighting
23 vehicle described by Subsection (a)(3) must include a reasonable
24 description of the vehicle and of any fire-fighting equipment
25 mounted on the vehicle. An application for registration under this
26 section of a vehicle described by Subsection (a)(5) must include a
27 statement signed by a person having the authority to act for a

1 sheriff's department that the vehicle is used exclusively in marine
2 law enforcement activities under the direction of the sheriff's
3 department.

4 SECTION 150. Section 502.203, Transportation Code, is
5 transferred to Subchapter J, Chapter 502, Transportation Code, as
6 added by this Act, redesignated as Section 502.454, Transportation
7 Code, and amended to read as follows:

8 Sec. 502.454 [~~502.203~~]. VEHICLES USED BY NONPROFIT DISASTER
9 RELIEF ORGANIZATIONS. (a) The owner of a commercial motor vehicle,
10 trailer, or semitrailer may apply for registration under Section
11 502.451 [~~502.201~~] and is exempt from the payment of the
12 registration fee that would otherwise be required by this chapter
13 if the vehicle is owned and used exclusively for emergencies by a
14 nonprofit disaster relief organization.

15 (b) An application for registration under this section must
16 include:

17 (1) a statement by the owner of the vehicle that the
18 vehicle is used exclusively for emergencies and has not been used
19 for any other purpose;

20 (2) a statement signed by an officer of the nonprofit
21 disaster relief organization that the vehicle has not been used for
22 any purpose other than emergencies and qualifies for registration
23 under this section; and

24 (3) a reasonable description of the vehicle and the
25 emergency equipment included in the vehicle.

26 (c) An applicant for registration under this section must
27 pay a fee of \$5.

1 (d) A commercial motor vehicle registered under this
2 section must display the name of the organization that owns it on
3 each front door.

4 (e) A vehicle registered under this section must display at
5 all times an appropriate license plate showing the vehicle's
6 status.

7 (f) A vehicle registered under this section that is used for
8 any purpose other than an emergency may not again be registered
9 under this section.

10 SECTION 151. Section 502.2035, Transportation Code, is
11 transferred to Subchapter J, Chapter 502, Transportation Code, as
12 added by this Act, and redesignated as Section 502.455,
13 Transportation Code, to read as follows:

14 Sec. 502.455 [~~502.2035~~]. TRAILERS AND SEMITRAILERS OWNED BY
15 RELIGIOUS ORGANIZATIONS. (a) A trailer or semitrailer may be
16 registered without payment if the trailer or semitrailer is:

17 (1) owned by an organization that qualifies as a
18 religious organization under Section 11.20, Tax Code; and

19 (2) used primarily for the purpose of transporting
20 property in connection with the charitable activities and functions
21 of the organization.

22 (b) An application for registration under this section must
23 include a statement signed by an officer of the religious
24 organization stating that the trailer or semitrailer qualifies for
25 registration under this section.

26 SECTION 152. Section 502.204, Transportation Code, is
27 transferred to Subchapter J, Chapter 502, Transportation Code, as

1 added by this Act, redesignated as Section 502.456, Transportation
2 Code, and amended to read as follows:

3 Sec. 502.456 [~~502.204~~]. EMERGENCY SERVICES VEHICLES. (a) A
4 vehicle may be registered without payment if:

5 (1) the vehicle is owned or leased by an emergency
6 medical services provider that:

7 (A) is a nonprofit entity; or

8 (B) is created and operated by:

9 (i) a county;

10 (ii) a municipality; or

11 (iii) any combination of counties and
12 municipalities through a contract, joint agreement, or other method
13 provided by Chapter 791, Government Code, or other law authorizing
14 counties and municipalities to provide joint programs; and

15 (2) the vehicle:

16 (A) is authorized under an emergency medical
17 services provider license issued by the Department of State [~~Texas~~
18 ~~Board of~~] Health Services under Chapter 773, Health and Safety
19 Code, and is used exclusively as an emergency medical services
20 vehicle; or

21 (B) is an emergency medical services chief or
22 supervisor vehicle and is used exclusively as an emergency services
23 vehicle.

24 (b) A vehicle may be registered without payment of a
25 registration fee if the vehicle:

26 (1) is owned by the Civil Air Patrol, Texas Wing; and

27 (2) is used exclusively as an emergency services

1 vehicle by members of the Civil Air Patrol, Texas Wing.

2 (c) An application for registration under Subsection (a)
3 must be accompanied by a copy of the license issued by the
4 Department of State [~~Texas Board of~~] Health Services. An
5 application for registration of an emergency medical services
6 vehicle must include a statement signed by an officer of the
7 emergency medical services provider that the vehicle is used
8 exclusively as an emergency response vehicle and qualifies for
9 registration under this section. An application for registration
10 of an emergency medical services chief or supervisor vehicle must
11 include a statement signed by an officer of the emergency medical
12 services provider stating that the vehicle qualifies for
13 registration under this section.

14 (d) An application for registration under Subsection (b)
15 must include a statement signed by an officer of the Civil Air
16 Patrol, Texas Wing, that the vehicle is used exclusively as an
17 emergency services vehicle by members of the Civil Air Patrol,
18 Texas Wing.

19 (e) The department must approve an application for
20 registration under this section as provided by Section 502.451
21 [~~502.201~~].

22 SECTION 153. Section 520.0225, Transportation Code, is
23 transferred to Subchapter J, Chapter 502, Transportation Code, as
24 added by this Act, redesignated as Section 502.457, Transportation
25 Code, and amended to read as follows:

26 Sec. 502.457 [~~520.0225~~]. PERSONS ON ACTIVE DUTY IN ARMED
27 FORCES OF UNITED STATES. (a) This section applies only to a used

1 motor vehicle that is owned by a person who:

2 (1) is on active duty in the armed forces of the United
3 States;

4 (2) is stationed in or has been assigned to another
5 nation under military orders; and

6 (3) has registered the vehicle or been issued a
7 license for the vehicle under the applicable status of forces
8 agreement by:

9 (A) the appropriate branch of the armed forces of
10 the United States; or

11 (B) the nation in which the person is stationed
12 or to which the person has been assigned.

13 (b) The requirement [~~in Section 520.021~~] that a used vehicle
14 be registered under the law of this state does not apply to a
15 vehicle described by Subsection (a). In lieu of delivering the
16 license receipt to the transferee of the vehicle, as required by
17 Section 501.0721 [~~520.022~~], the person selling, trading, or
18 otherwise transferring a used motor vehicle described by Subsection
19 (a) shall deliver to the transferee:

20 (1) a letter written on official letterhead by the
21 owner's unit commander attesting to the registration of the vehicle
22 under Subsection (a)(3); or

23 (2) the registration receipt issued by the appropriate
24 branch of the armed forces or host nation.

25 (c) A registration receipt issued by a host nation that is
26 not written in the English language must be accompanied by:

27 (1) a written translation of the registration receipt

1 in English; and

2 (2) an affidavit, in English and signed by the person
3 translating the registration receipt, attesting to the person's
4 ability to translate the registration receipt into English.

5 SECTION 154. Chapter 502, Transportation Code, is amended
6 by adding Subchapter K to read as follows:

7 SUBCHAPTER K. OFFENSES AND PENALTIES

8 SECTION 155. Section 502.401, Transportation Code, is
9 transferred to Subchapter K, Chapter 502, Transportation Code, as
10 added by this Act, redesignated as Section 502.471, Transportation
11 Code, and amended to read as follows:

12 Sec. 502.471 [~~502.401~~]. GENERAL PENALTY. (a) A person
13 commits an offense if the person violates a provision of this
14 chapter and no other penalty is prescribed for the violation.

15 (b) This section does not apply to a violation of Section
16 502.003, 502.042, 502.197 [~~502.101, 502.109, 502.112, 502.113,~~
17 ~~502.114, 502.152, 502.164~~], or 502.431 [~~502.282~~].

18 (c) Unless otherwise specified, an [~~An~~] offense under this
19 section is a misdemeanor punishable by a fine not to exceed \$200.

20 SECTION 156. Section 502.402, Transportation Code, is
21 transferred to Subchapter K, Chapter 502, Transportation Code, as
22 added by this Act, redesignated as Section 502.472, Transportation
23 Code, and amended to read as follows:

24 Sec. 502.472 [~~502.402~~]. OPERATION OF VEHICLE UNDER IMPROPER
25 REGISTRATION [~~UNREGISTERED MOTOR VEHICLE~~]. [~~(a)~~] A person commits
26 an offense if the person operates a motor vehicle that has not been
27 registered or registered for a class other than that to which the

1 vehicle belongs as required by law. [~~An offense under this~~
2 ~~subsection is a misdemeanor punishable by a fine not to exceed~~
3 ~~\$200.~~]

4 SECTION 157. Section 502.404, Transportation Code, is
5 transferred to Subchapter K, Chapter 502, Transportation Code, as
6 added by this Act, redesignated as Section 502.473, Transportation
7 Code, and amended to read as follows:

8 Sec. 502.473 [~~502.404~~]. OPERATION OF VEHICLE WITHOUT
9 [~~LICENSE PLATE OR~~] REGISTRATION INSIGNIA. (a) [~~A person commits an~~
10 ~~offense if the person operates on a public highway during a~~
11 ~~registration period a passenger car or commercial motor vehicle~~
12 ~~that does not display two license plates, at the front and rear of~~
13 ~~the vehicle, that have been:~~

14 [~~(1) assigned by the department for the period, or~~
15 [~~(2) validated by a registration insignia issued by~~
16 ~~the department that establishes that the vehicle is registered for~~
17 ~~the period.~~

18 [~~(b)~~] A person commits an offense if the person operates on
19 a public highway during a registration period a [~~passenger car or~~
20 ~~commercial~~] motor vehicle [~~, other than a vehicle assigned license~~
21 ~~plates for the registration period,~~] that does not properly display
22 the registration insignia issued by the department that establishes
23 that the license plates have been validated for the period.

24 (b) [~~(e)~~] A person commits an offense if the person operates
25 on a public highway during a registration period a road tractor,
26 motorcycle, trailer, or semitrailer that does not display [~~a~~
27 ~~license plate, attached to the rear of the vehicle, that has been:~~

1 ~~[(1) assigned by the department for the period, or~~
2 ~~[(2) validated by]~~ a registration insignia issued by
3 the department that establishes that the vehicle is registered for
4 the period.

5 (c) This section does ~~[(d) Subsections (a) and (b) do]~~ not
6 apply to a dealer operating a vehicle as provided by law.

7 (d) ~~[(e) An offense under this section is a misdemeanor~~
8 ~~punishable by a fine not to exceed \$200.~~

9 ~~[(f) A court may dismiss a charge brought under Subsection~~
10 ~~(a) if the defendant,~~

11 ~~[(1) remedies the defect before the defendant's first~~
12 ~~court appearance, and~~

13 ~~[(2) pays an administrative fee not to exceed \$10.~~

14 ~~[(g)]~~ A court may dismiss a charge brought under Subsection
15 (a) ~~[(b)]~~ if the defendant:

16 (1) shows that [+

17 ~~[(A)]~~ the ~~[passenger car or commercial]~~ motor
18 vehicle was issued a registration insignia by the department that
19 was attached to the motor vehicle, establishing that ~~[establishes~~
20 ~~that]~~ the vehicle was registered for the period during which the
21 offense was committed; and

22 ~~[(B) the registration insignia described in~~
23 ~~Paragraph (A) was attached to the passenger car or commercial motor~~
24 ~~vehicle before the defendant's first court appearance, and]~~

25 (2) pays an administrative fee not to exceed \$10.

26 SECTION 158. Subchapter K; Chapter 502, Transportation
27 Code, as added by this Act, is amended by adding Section 502.474 to

1 read as follows:

2 Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. A
3 person commits an offense if the person operates a vehicle for which
4 a one-trip permit is required without the registration receipt and
5 properly displayed temporary tag.

6 SECTION 159. Section 502.409, Transportation Code, is
7 transferred to Subchapter K, Chapter 502, Transportation Code, as
8 added by this Act, redesignated as Section 502.475, Transportation
9 Code, and amended to read as follows:

10 Sec. 502.475 [~~502.409~~]. WRONG, FICTITIOUS, ALTERED, OR
11 OBSCURED INSIGNIA [~~LICENSE PLATE~~]. (a) A person commits an offense
12 if the person attaches to or displays on a motor vehicle a [~~number~~
13 ~~plate or~~] registration insignia that:

- 14 (1) is assigned to a different motor vehicle;
- 15 (2) is assigned to the vehicle under any other motor
16 vehicle law other than by the department;
- 17 (3) is assigned for a registration period other than
18 the registration period in effect; or
- 19 (4) is fictitious[~~r~~
- 20 [~~(5) has blurring or reflective matter that~~
21 ~~significantly impairs the readability of the name of the state in~~
22 ~~which the vehicle is registered or the letters or numbers of the~~
23 ~~license plate number at any time,~~
- 24 [~~(6) has an attached illuminated device or sticker,~~
25 ~~decal, emblem, or other insignia that is not authorized by law and~~
26 ~~that interferes with the readability of the letters or numbers of~~
27 ~~the license plate number or the name of the state in which the~~

1 ~~vehicle is registered, or~~

2 ~~[(7) has a coating, covering, protective material, or~~
3 ~~other apparatus that:~~

4 ~~[(A) distorts angular visibility or~~
5 ~~detectability,~~

6 ~~[(B) alters or obscures one-half or more of the~~
7 ~~name of the state in which the vehicle is registered, or~~

8 ~~[(C) alters or obscures the letters or numbers of~~
9 ~~the license plate number or the color of the plate].~~

10 (b) Except as provided by Subsection (d) ~~[(f)]~~, an offense
11 under Subsection (a) is a misdemeanor punishable by a fine of not
12 more than \$200, unless it is shown at the trial of the offense that
13 the owner knowingly altered or made illegible the letters, numbers,
14 and other identification marks, in which case the offense is a Class
15 B misdemeanor.

16 (c) ~~[Subsection (a)(7) may not be construed to apply to:~~

17 ~~[(1) a trailer hitch installed on a vehicle in a normal~~
18 ~~or customary manner,~~

19 ~~[(2) a transponder, as defined by Section 228.057,~~
20 ~~that is attached to a vehicle in the manner required by the issuing~~
21 ~~authority,~~

22 ~~[(3) a wheelchair lift or wheelchair carrier that is~~
23 ~~attached to a vehicle in a normal or customary manner,~~

24 ~~[(4) a trailer being towed by a vehicle, or~~

25 ~~[(5) a bicycle rack that is attached to a vehicle in a~~
26 ~~normal or customary manner.~~

27 ~~[(d)]~~ A court may dismiss a charge brought under Subsection

1 (a)(3) [~~(5)~~, ~~(6)~~, or ~~(7)~~] if the defendant:

2 (1) remedies the defect before the defendant's first
3 court appearance; and

4 (2) pays an administrative fee not to exceed \$10.

5 (d) [~~(f)~~] An offense under Subsection (a)(4) is a Class B
6 misdemeanor.

7 SECTION 160. Subchapter K, Chapter 502, Transportation
8 Code, as added by this Act, is amended by adding Sections 502.476,
9 502.477, 502.478, and 502.479 to read as follows:

10 Sec. 502.476. ANNUAL PERMITS; OFFENSE. A person who
11 violates Section 502.093 commits an offense.

12 Sec. 502.477. NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT
13 AGRICULTURAL PRODUCT; OFFENSE. (a) A person operating a vehicle
14 under a permit issued under Section 502.092 commits an offense if
15 the person transports farm products to a place of market, storage,
16 or processing or a railhead or seaport that is farther from the
17 place of production or point of entry, as appropriate, than the
18 distance provided for in the permit.

19 (b) An offense under this section is a misdemeanor
20 punishable by a fine of not less than \$25 or more than \$200.

21 Sec. 502.478. COMMERCIAL MOTOR VEHICLE USED PRIMARILY FOR
22 AGRICULTURAL PURPOSES; OFFENSE. (a) The owner of a commercial
23 motor vehicle registered under Section 502.433 commits an offense
24 if the person uses or permits the use of the vehicle for a purpose
25 other than one allowed under Section 502.433. Each use or
26 permission of use in violation of this section is a separate
27 offense.

1 (b) An offense under this section is a misdemeanor
2 punishable by a fine of not less than \$25 or more than \$200.

3 Sec. 502.479. SEASONAL AGRICULTURAL VEHICLE; OFFENSE. A
4 person issued a registration under Section 502.432 commits an
5 offense if the person, during the registration period, uses the
6 truck-tractor or commercial motor vehicle for a purpose other than
7 to transport a seasonal agricultural product.

8 SECTION 161. Section 520.014, Transportation Code, is
9 transferred to Subchapter K, Chapter 502, Transportation Code, as
10 added by this Act, redesignated as Section 502.480, Transportation
11 Code, and amended to read as follows:

12 Sec. 502.480 [~~520.014~~]. VIOLATION BY COUNTY
13 ASSESSOR-COLLECTOR; PENALTY. (a) A county assessor-collector
14 commits an offense if the county assessor-collector knowingly
15 accepts an application for the registration of a motor vehicle
16 that:

17 (1) has had the original motor number or vehicle
18 identification number removed, erased, or destroyed; and

19 (2) does not bear a motor number or vehicle
20 identification number assigned by the department.

21 (b) An offense under this section is a misdemeanor
22 punishable by a fine of not less than \$10 and not more than \$50.

23 SECTION 162. Chapter 502, Transportation Code, is amended
24 by adding Subchapter L to read as follows:

25 SUBCHAPTER L. REGISTRATION AND TRANSFER OF USED VEHICLES

26 SECTION 163. Section 502.451, Transportation Code, is
27 transferred to Subchapter L, Chapter 502, Transportation Code, as

1 added by this Act, redesignated as Section 502.491, Transportation
2 Code, and amended to read as follows:

3 Sec. 502.491 [~~502.451~~]. TRANSFER OF VEHICLE REGISTRATION
4 [~~AND REMOVAL OF LICENSE PLATES~~]. (a) On the sale or transfer of a
5 motor vehicle [~~to a dealer~~], [~~as defined by Section 503.001, who~~
6 ~~holds a general distinguishing number issued under Chapter 503, the~~
7 ~~dealer shall remove each license plate and~~] the registration
8 insignia issued for the motor vehicle shall be removed.

9 [~~(a-1) On a sale or transfer of a motor vehicle to a person~~
10 ~~that does not hold a general distinguishing number issued under~~
11 ~~Chapter 503, the seller or transferor may remove each license plate~~
12 ~~and the registration insignia issued for the motor vehicle.~~]

13 (b) On a sale or transfer of a motor vehicle in which neither
14 party holds a general distinguishing number issued under Chapter
15 503, the [~~A license plate removed from a motor vehicle under~~
16 ~~Subsection (a) or (a-1) must be~~

17 [~~(1) disposed of in the manner specified by the~~
18 ~~department, or~~

19 [~~(2) transferred to another vehicle owned by the~~
20 ~~seller or transferor as provided by Section 502.452.~~

21 [~~(c) The~~] part of the registration period remaining at the
22 time of the sale or transfer shall continue with the vehicle being
23 sold or transferred and does not transfer with the license plates or
24 registration validation insignia. To continue the remainder of
25 the registration period, the purchaser or transferee must file the
26 documents required under Section 501.145 [~~520.031~~].

27 (c) On the sale or transfer of a motor vehicle to a dealer,

1 as defined by Section 503.001, who holds a general distinguishing
2 number issued under Chapter 503, the registration period remaining
3 at the time of the sale or transfer expires at the time of the sale
4 or transfer. On the sale of a used motor vehicle by a dealer, the
5 dealer shall issue to the buyer new registration documents for an
6 entire registration year.

7 SECTION 164. Section 502.454, Transportation Code, is
8 transferred to Subchapter L, Chapter 502, Transportation Code, as
9 added by this Act, redesignated as Section 502.492, Transportation
10 Code, and amended to read as follows:

11 Sec. 502.492 [~~502.454~~]. TEMPORARY TRANSIT PERMIT FOR A
12 VEHICLE PURCHASED [~~IN A PRIVATE PARTY TRANSACTION~~]. (a) A
13 purchaser [~~or transferee~~] may obtain from the department a
14 temporary transit [~~single-trip~~] permit to operate a motor vehicle:

15 (1) that is subject to registration in this state;
16 (2) from which the license plates and the registration
17 insignia have been removed as authorized by Section 502.491 or
18 504.901 [~~502.451(a-1)~~]; and

19 (3) that is not authorized to travel on a public
20 roadway because the required license plates and the registration
21 insignia are not attached to the vehicle.

22 (b) The department may issue the permit in accordance with
23 this section.

24 (c) A permit issued under this section is valid for one trip
25 between the point of origin and the destination and those
26 intermediate points specified in the permit.

27 (d) A permit issued under this section may not be valid for

1 longer than a five-day period.

2 (e) A person may obtain a permit under this section by
3 applying, as [~~on a form~~] provided by the department, to the
4 department. Application may be made using the department's
5 Internet website.

6 (f) A person is eligible to receive only one permit under
7 this section for a motor vehicle.

8 (g) A permit receipt issued under this section must be in
9 [~~on~~] a manner [~~form~~] provided by the department. The receipt must
10 contain the information required by this section and shall be
11 carried in the vehicle at all times during which it is valid.

12 (h) The department may refuse to issue a permit under this
13 section for any vehicle if in the department's opinion the
14 applicant has been involved in operations that constitute an abuse
15 of the privilege granted under this section.

16 SECTION 165. The heading to Chapter 504, Transportation
17 Code, is amended to read as follows:

18 CHAPTER 504. [~~SPECIALTY~~] LICENSE PLATES

19 SECTION 166. Section 504.001(a), Transportation Code, is
20 amended by adding Subdivision (3) to read as follows:

21 (3) "Purchaser" and "seller" have the meanings
22 assigned by Section 501.002.

23 SECTION 167. Section 504.004, Transportation Code, is
24 redesignated as Section 504.0011, Transportation Code, and amended
25 to read as follows:

26 Sec. 504.0011 [~~504.004~~]. RULES [~~AND FORMS~~]. The board may
27 adopt rules [~~and the department may issue forms~~] to implement and

1 administer this chapter.

2 SECTION 168. Section 504.002, Transportation Code, is
3 amended to read as follows:

4 Sec. 504.002. [~~PROVISIONS~~ ~~OF~~] GENERAL PROVISIONS
5 [~~APPLICABILITY~~]. Unless expressly provided by this chapter or by
6 department rule:

7 (1) except for license plates specified as exempt,
8 ~~[any vehicle is eligible to be issued specialty license plates,~~
9 ~~provided that the department may vary the design of a license plate~~
10 ~~to accommodate or reflect its use on a motor vehicle other than a~~
11 ~~passenger car or light truck,~~

12 [~~(2)~~ ~~an application for specialty license plates must~~
13 ~~be submitted in the manner specified by the department, provided~~
14 ~~that if issuance of a specialty license plate is limited to~~
15 ~~particular persons or motor vehicles, the application must be~~
16 ~~accompanied by evidence satisfactory to the department that the~~
17 ~~applicant or the applicant's vehicle is eligible,~~

18 [~~(3)~~] the fee for issuance of a [~~specialty~~] license
19 plate, including replacement plates, is in addition to each other
20 fee that is paid for [~~or~~] at the time of the registration of the
21 motor vehicle and shall be deposited to the credit of the state
22 highway fund;

23 (2) if the registration period is greater than 12
24 months, the expiration date of a specialty license plate, symbol,
25 tab, or other device shall be aligned with the registration period,
26 and the specialty plate fee shall be adjusted pro rata, except that
27 if the statutory annual fee for a specialty license plate is \$5 or

1 less, it may not be prorated;

2 (3) [~~(4)~~ each fee described by this chapter is an
3 annual fee, provided that the department may prorate the fee for a
4 specialty license plate fee on a monthly basis to align the license
5 plate fee to the registration period for the motor vehicle for which
6 the license plate was issued, and if a fee is prorated the
7 allocation of the fee by this chapter to an account or fund shall be
8 prorated in proportion,

9 [~~(5)~~] the department is the exclusive owner of the
10 design of each [~~specialty~~] license plate;

11 (4) [~~(6)~~ the director may refuse to issue a specialty
12 license plate with a design or alphanumeric pattern that the
13 director considers potentially objectionable to one or more members
14 of the public and the director's refusal may not be overturned in
15 the absence of an abuse of discretion,

16 [~~(7)~~ for each specialty license plate that is issued
17 through a county tax assessor-collector and for which the
18 department is allocated a portion of a fee for administrative
19 costs, the department shall credit 50 cents from its administrative
20 costs to the county treasurer of the applicable county, who shall
21 credit the money to the general fund of the county to defray the
22 costs to the county of administering this chapter,

23 [~~(8)~~] if a [~~specialty~~] license plate is lost, stolen,
24 or mutilated, an application for a replacement plate must be
25 accompanied by the fee prescribed by Section 502.060
26 [~~502.184(a)(2)~~],

27 [~~(9)~~ if the owner of a motor vehicle for which a

1 ~~specialty license plate is issued disposes of the vehicle or for any~~
2 ~~reason ceases to be eligible for that specialty license plate, the~~
3 ~~owner shall return the specialty license plate to the department];~~
4 and

5 (5) the department shall prepare the designs and
6 specifications of license plates [~~(10) a person who is issued a~~
7 ~~specialty license plate may not transfer it to another person or~~
8 ~~vehicle without first receiving approval from the department)].~~

9 SECTION 169. Section 504.103, Transportation Code, is
10 transferred to Subchapter A, Chapter 504, Transportation Code,
11 redesignated as Section 504.005, Transportation Code, and amended
12 to read as follows:

13 Sec. 504.005 [~~504.103~~]. DESIGN AND ALPHANUMERIC PATTERN.

14 (a) The department has sole control over the design, typeface,
15 color, and alphanumeric pattern for all [~~a personalized~~] license
16 plates [~~plate~~].

17 (b) The department shall prepare the designs and
18 specifications of license plates and devices selected by the board
19 to be used as a unique identifier.

20 (c) The department shall design each license plate to
21 include a design at least one-half inch wide that represents in
22 silhouette the shape of Texas and that appears between letters and
23 numerals. The department may omit the silhouette of Texas from
24 specially designed license plates.

25 (d) To promote highway safety, each license plate shall be
26 made with a reflectorized material that provides effective and
27 dependable brightness for the period for which the plate is issued.

1 SECTION 170. Subchapter A, Chapter 504, Transportation
2 Code, is amended by adding Section 504.0051 to read as follows:

3 Sec. 504.0051. PERSONALIZED LICENSE PLATES. (a) The
4 department shall issue personalized license plates, including
5 those issued in accordance with the marketing vendor as provided in
6 Subchapter J. The department may not issue more than one set of
7 license plates with the same alphanumeric pattern.

8 (b) The department may not issue a replacement set of
9 personalized plates to the same person before the period set by rule
10 unless the applicant for issuance of replacement plates pays the
11 fee required by Section 504.007.

12 SECTION 171. Section 502.053, Transportation Code, is
13 transferred to Subchapter A, Chapter 504, Transportation Code,
14 redesignated as Section 504.006, Transportation Code, and amended
15 to read as follows:

16 Sec. 504.006 [~~502.053~~]. COST OF MANUFACTURING [~~LICENSE~~
17 ~~PLATES OR REGISTRATION INSIGNIA~~]. (a) The department shall
18 reimburse the Texas Department of Criminal Justice for the cost of
19 manufacturing license plates [~~or registration insignia~~] as [~~the~~
20 ~~license plates or insignia and~~] the invoices [~~invoice~~] for the
21 license plates [~~or insignia~~] are delivered to the department.

22 (b) When manufacturing is started, the Texas Department of
23 Criminal Justice and [~~7~~] the department, [~~and the comptroller,~~]
24 after negotiation, shall set the price to be paid for each license
25 plate [~~or insignia~~]. The price must be determined from:

26 (1) the cost of metal, paint, and other materials
27 purchased;

- 1 (2) the inmate maintenance cost per shift [~~day~~];
- 2 (3) overhead expenses;
- 3 (4) miscellaneous charges; and
- 4 (5) a previously agreed upon [~~approved~~] amount of
- 5 profit for the work.

6 [~~(c) The annual profit received by the Texas Department of~~
7 ~~Criminal Justice from all contracts for the manufacturing of~~
8 ~~license plates or related manufacturing may not be less than the~~
9 ~~profit received by the Texas Department of Corrections for~~
10 ~~manufacturing license plates for use in 1974.]~~

11 SECTION 172. Section 502.1841, Transportation Code, as
12 effective September 1, 2011, is transferred to Subchapter A,
13 Chapter 504, Transportation Code, redesignated as Section 504.007,
14 Transportation Code, and amended to read as follows:

15 Sec. 504.007 [~~502.1841~~]. REPLACEMENT LICENSE PLATES. (a)
16 The owner of a registered motor vehicle may obtain replacement
17 license plates for the vehicle by:

18 (1) certifying that the replacement plates will not be
19 used on any other vehicle owned or operated by the person making the
20 statement;

21 (2) paying a fee of \$6 plus the fee required by Section
22 502.356(a) [~~502.1705(a)~~] for each set of replacement license
23 plates, unless otherwise specified by law; and

24 (3) returning to the department each license plate in
25 the owner's possession for which a replacement license plate is
26 obtained.

27 (b) Replacement license plates may not be issued except as

1 provided by this section.

2 (c) A county assessor-collector shall retain \$2.50 of each
3 fee collected under this section and forward the remainder of the
4 fee to the department.

5 (d) The fee required by this section applies to the issuance
6 of license plates for a transferred used vehicle for which the
7 registration and license plates were not transferred under Section
8 504.901 [~~Subchapter I~~].

9 (e) Replacement license plates may be used in the
10 registration year in which the plates are issued and during each
11 succeeding year of the registration period as set by rule if the
12 registration insignia is properly displayed on the vehicle.

13 (f) Subsection (e) does not apply to the issuance of
14 specialized license plates for limited distribution, including
15 exempt plates for governmental entities and temporary registration
16 plates.

17 SECTION 173. Subchapter A, Chapter 504, Transportation
18 Code, is amended by adding Section 504.008 to read as follows:

19 Sec. 504.008. SPECIALTY LICENSE PLATES. (a) The
20 department shall prepare the designs and specifications of
21 specialty license plates.

22 (b) Any motor vehicle other than a vehicle manufactured for
23 off-highway use only is eligible to be issued specialty license
24 plates, provided that the department may vary the design of a
25 license plate to accommodate or reflect its use on a motor vehicle
26 other than a passenger car or light truck.

27 (c) An application for specialty license plates must be

1 submitted in the manner specified by the department, provided that
2 if issuance of a specialty license plate is limited to particular
3 persons or motor vehicles, the application must be accompanied by
4 evidence satisfactory to the department that the applicant or the
5 applicant's vehicle is eligible.

6 (d) Each fee described by this chapter is an annual fee,
7 provided that the department may prorate the fee for a specialty
8 license plate fee on a monthly basis to align the license plate fee
9 to the registration month for the motor vehicle for which the
10 license plate was issued, and if a fee is prorated the allocation of
11 the fee by this chapter to an account or fund shall be prorated in
12 proportion.

13 (e) The director or the director's designee may refuse to
14 issue a specialty license plate with a design or alphanumeric
15 pattern that the director or designee considers potentially
16 objectionable to one or more members of the public and the director
17 or designee's refusal may not be overturned in the absence of an
18 abuse of discretion.

19 (f) For each specialty license plate that is issued by a
20 county assessor-collector and for which the department is allocated
21 a portion of the fee for administrative costs, the department shall
22 credit 50 cents from its administrative costs to the county
23 treasurer of the applicable county, who shall credit the money to
24 the general fund of the county to defray the costs to the county of
25 administering this chapter.

26 (g) If the owner of a motor vehicle for which a specialty
27 license plate is issued disposes of the vehicle or for any reason

1 ceases to be eligible for that specialty license plate, the owner
2 shall return the specialty license plate to the department.

3 (h) A person who is issued a specialty license plate may not
4 transfer the plate to another person or vehicle unless the
5 department approves the transfer.

6 SECTION 174. Section 504.003, Transportation Code, is
7 redesignated as Section 504.009, Transportation Code, and amended
8 to read as follows:

9 Sec. 504.009 [~~504.003~~]. SOUVENIR LICENSE PLATES. (a) The
10 department may issue a souvenir version of any specialty license
11 plate for any vehicle[~~, including a motorcycle~~].

12 (b) The fee for a single souvenir license plate is \$20. The
13 fee shall be deposited to the credit of the state highway fund
14 unless the souvenir license plate is a replica of a specialty
15 license plate issued under Subchapter G or I for which the fee is
16 deposited to an account other than the state highway fund, in which
17 case:

18 (1) \$10 of the fee for the souvenir license plate shall
19 be deposited to the credit of the designated account; and

20 (2) \$10 of the fee for the souvenir license plate shall
21 be deposited to the credit of the state highway fund.

22 (c) If a souvenir license plate issued before November 19
23 [~~September 1~~], 2009, is personalized, the fee for the plate is
24 \$40. Of the fee:

25 (1) \$20 shall be deposited to the credit of the state
26 highway fund;

27 (2) \$10 shall be deposited to the credit of the

1 designated account if the souvenir license plate is a replica of a
2 specialty license plate issued under Subchapter G or I for which the
3 fee is deposited to a designated account other than the state
4 highway fund; and

5 (3) the remainder shall be deposited to the credit of
6 the general revenue fund.

7 (c-1) The fee for a souvenir license plate issued on or
8 after November 19 [~~September 1~~], 2009, is the amount established
9 under Section 504.851(c).

10 (d) A souvenir license plate may not be used on a motor
11 vehicle[~~, including a motorcycle,~~] and is not an insignia of
12 registration for a motor vehicle. Each souvenir license plate must
13 be identified by the department in a way that identifies it to law
14 enforcement officers and others as a souvenir license plate.

15 (e) A beneficiary of a specialty license plate issued under
16 Subchapter G or I, as designated by the applicable section of those
17 subchapters, may purchase the specialty license plates, in minimum
18 amounts determined by the department [~~boxes of 25~~], for use or
19 resale by the beneficiary. The beneficiary shall pay the required
20 fee per plate, less the amount of the fee that would be deposited to
21 the credit of the designated account.

22 SECTION 175. Subchapter A, Chapter 504, Transportation
23 Code, is amended by adding Section 504.010 to read as follows:

24 Sec. 504.010. ISSUANCE AND PLACEMENT OF LICENSE PLATE. (a)
25 On payment of the prescribed fee, an applicant for motor vehicle
26 registration shall be issued a license plate or set of plates.

27 (b) Subject to Section 504.901, the department shall issue

1 only one license plate or set of plates for a vehicle during the
2 registration period set by rule.

3 (c) The board may adopt rules regarding the placement of
4 license plates for a motor vehicle, road tractor, motorcycle,
5 trailer, or semitrailer.

6 SECTION 176. Subchapter B, Chapter 504, Transportation
7 Code, is amended by adding Section 504.101 to read as follows:

8 Sec. 504.101. PERSONALIZED LICENSE PLATES. The department
9 shall issue personalized license plates, including those sold by
10 the private vendor under a contract with the department as provided
11 by Section 504.851.

12 SECTION 177. Sections 504.201(b), (d), and (g),
13 Transportation Code, are amended to read as follows:

14 (b) The department shall issue specialty license plates for
15 a motor vehicle that:

16 (1) has a gross vehicle weight [~~manufacturer's rated~~
17 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less; and

18 (2) is regularly operated for noncommercial use by or
19 for the transportation of a person with a permanent disability.

20 (d) Except as provided by Subsection (d-1), the initial
21 application for specialty license plates under this section must be
22 accompanied by a written statement from a physician who is licensed
23 to practice medicine in this state or in a state adjacent to this
24 state or who is authorized by applicable law to practice medicine in
25 a hospital or other health facility of the Department of Veterans
26 Affairs. If the applicant has a mobility problem caused by a
27 disorder of the foot, the written statement may be issued by a

1 person licensed to practice podiatry in this state or a state
2 adjacent to this state. In this subsection, "podiatry" has the
3 meaning assigned by Section 681.001. The statement must certify
4 that the person making the application or on whose behalf the
5 application is made is legally blind or has a mobility problem that
6 substantially impairs the person's ability to ambulate. The
7 statement must also certify whether a mobility problem is temporary
8 or permanent. A written statement is not required as acceptable
9 medical proof if:

10 (1) the person with a disability:

11 (A) has had a limb, hand, or foot amputated; or

12 (B) must use a wheelchair; and

13 (2) the applicant executes a statement [~~and the county~~
14 ~~assessor-collector processing the application execute an~~
15 ~~affidavit~~] attesting to the person's disability before the county
16 assessor-collector.

17 (g) In addition to a license plate issued under this
18 section, an eligible person is entitled to be issued a set of the
19 license plates for each motor vehicle owned by the person that has a
20 gross vehicle weight [~~carrying capacity~~] of 18,000 pounds [~~two~~
21 ~~tons~~] or less and is equipped with special equipment that:

22 (1) is designed to allow a person who has lost the use
23 of one or both of the person's legs to operate the vehicle; and

24 (2) is not standard equipment on that type of vehicle
25 for use by a person who has use of both legs.

26 SECTION 178. Section 504.202, Transportation Code, is
27 amended by amending Subsections (b) and (f) and adding Subsection

1 (i) to read as follows:

2 (b) A veteran of the United States armed forces is entitled
3 to register, for the person's own use, motor vehicles under this
4 section if:

5 (1) the person has suffered, as a result of military
6 service:

7 (A) at least a 50 percent service-connected
8 disability; or

9 (B) a 40 percent service-connected disability
10 because of the amputation of a lower extremity;

11 (2) the person receives compensation from the United
12 States because of the disability; and

13 (3) the motor vehicle:

14 (A) is owned by the person; and

15 (B) has a gross vehicle weight [~~manufacturer's~~
16 ~~rated carrying capacity~~] of 18,000 pounds [~~two tons~~] or less.

17 (f) The fee for the first set of license plates is \$3. There
18 is no fee for each additional set of license plates. [~~If a license~~
19 ~~plate is lost, stolen, or mutilated, on payment of a \$1 fee the~~
20 ~~department shall issue a set of replacement plates.~~]

21 (i) A license plate with the letters "DV" may be
22 personalized with up to four characters.

23 SECTION 179. Section 504.203(b), Transportation Code, is
24 amended to read as follows:

25 (b) An application for license plates under this section
26 must be accompanied by a written statement acknowledged [~~signed~~] by
27 the administrator or manager of the institution, facility, or

1 retirement community certifying that the institution, facility, or
2 retirement community regularly transports, as a part of the
3 services that the institution, facility, or retirement community
4 provides, one or more eligible persons who reside in the
5 institution, facility, or retirement community. The department
6 shall determine the eligibility of the institution, facility, or
7 retirement community on the evidence the applicant provides.

8 SECTION 180. Section 504.301, Transportation Code, is
9 amended to read as follows:

10 Sec. 504.301. PROVISIONS GENERALLY APPLICABLE TO MILITARY
11 SPECIALTY LICENSE PLATES. (a) Unless expressly provided by this
12 subchapter or department rule:

13 (1) the department shall design specialty license
14 plates for the military; and

15 (2) a person is not eligible to be issued a specialty
16 license plate under this subchapter if the person was discharged
17 from the armed forces under conditions less than honorable.

18 (b) Notwithstanding any other provision of this subchapter,
19 the department may design the wording on a specialty license plate
20 authorized by this subchapter to enhance the legibility and
21 reflectivity of the license plate.

22 SECTION 181. Section 504.3011, Transportation Code, is
23 amended to read as follows:

24 Sec. 504.3011. DESIGN OF CERTAIN LICENSE PLATES FOR THE
25 MILITARY. [~~(a) License plates issued under Section 504.303 must~~
26 ~~at a minimum bear a color depiction of the emblem of the appropriate~~
27 ~~branch of the United States armed forces.~~

1 ~~[(b) License plates issued under Section 504.308(a) or~~
2 ~~504.315(e), (f), or (g) must at a minimum bear a color depiction of~~
3 ~~the appropriate medal.~~

4 ~~[(e)]~~ The department shall design military license plates
5 that:

6 (1) bear a color depiction of the emblem of the
7 appropriate branch of the United States armed forces or a color
8 depiction of the appropriate medal as provided by the United States
9 Department of Defense; and

10 (2) include the words "Honorably Discharged" for
11 license plates issued to former members of the United States armed
12 forces [~~to which this section applies in consultation with veterans~~
13 ~~organizations~~].

14 SECTION 182. Section 504.315(d), Transportation Code, is
15 amended to read as follows:

16 (d) The department shall issue specialty license plates for
17 survivors of the attack on Pearl Harbor on December 7, 1941. The
18 license plates must include the words "Pearl Harbor Survivor." [~~and~~
19 ~~must be consecutively numbered.~~] A person is eligible if the
20 person:

- 21 (1) served in the United States armed forces;
- 22 (2) was stationed in the Hawaiian Islands on December
23 7, 1941; and
- 24 (3) survived the attack on Pearl Harbor on December 7,
25 1941.

26 SECTION 183. Subchapter D, Chapter 504, Transportation
27 Code, is amended by adding Section 504.317 to read as follows:

1 Sec. 504.317. SURVIVING SPOUSES OF DISABLED VETERANS
2 SPECIALTY LICENSE PLATES. (a) In this section, "surviving spouse"
3 means the individual married to a disabled veteran at the time of
4 the veteran's death.

5 (b) The department shall issue specialty license plates for
6 surviving spouses of disabled veterans of the United States armed
7 forces.

8 SECTION 184. Subchapter E, Chapter 504, Transportation
9 Code, is amended by adding Section 504.400 to read as follows:

10 Sec. 504.400. FEES FOR CERTAIN RESTRICTED PLATES. The
11 department shall issue, without charge, not more than three sets of
12 specialty license plates under this subchapter.

13 SECTION 185. Sections 504.401(a) and (c), Transportation
14 Code, are amended to read as follows:

15 (a) The department shall issue [~~without charge~~] specialty
16 license plates that include the words "State Official" to a state
17 official. [~~The license plates must include the words "State~~
18 ~~Official."~~]

19 (c) The registration remains [~~license plates remain~~] valid
20 until December 31 of each year.

21 SECTION 186. Section 504.402(a), Transportation Code, is
22 amended to read as follows:

23 (a) The department shall issue [~~without charge~~] specialty
24 license plates to [~~for~~] members of congress, which [~~License~~
25 ~~plates issued under this section~~] must include the words "U.S.
26 Congress."

27 SECTION 187. Section 504.403(a), Transportation Code, is

1 amended to read as follows:

2 (a) The department shall issue [~~without charge~~] specialty
3 license plates for a current or visiting state or federal judge.
4 The license plates must include the words "State Judge" or "U.S.
5 Judge," as appropriate.

6 SECTION 188. Section 504.403(d)(2), Transportation Code,
7 is amended to read as follows:

8 (2) "State judge" means:

9 (A) a justice of the supreme court;

10 (B) a judge of the court of criminal appeals;

11 (C) a judge of a court of appeals of this state;

12 (D) a district court judge;

13 (E) a presiding judge of an administrative
14 judicial district; or

15 (F) a statutory county court judge.

16 SECTION 189. Section 504.404(a), Transportation Code, is
17 amended to read as follows:

18 (a) The department shall issue [~~without charge~~] specialty
19 license plates to [~~for~~] current federal administrative law judges
20 that [~~The license plates shall~~] bear the words "U.S. A. L.
21 Judge."

22 SECTION 190. Section 504.405(a), Transportation Code, is
23 amended to read as follows:

24 (a) The department shall issue [~~without charge~~] specialty
25 license plates for current county judges of this state that [~~The~~
26 ~~license plates shall~~] bear the words "County Judge."

27 SECTION 191. Section 504.406, Transportation Code, is

1 amended to read as follows:

2 Sec. 504.406. TEXAS CONSTABLES. The department shall issue
3 [~~without charge~~] specialty license plates for Texas constables
4 that [~~The license plates shall~~] bear the words "Texas Constable."

5 SECTION 192. Section 504.412, Transportation Code, is
6 redesignated as Section 504.4061, Transportation Code, and amended
7 to read as follows:

8 Sec. 504.4061 [~~504.412~~]. FOREIGN ORGANIZATION VEHICLES.

9 (a) The department shall issue specialty license plates for an
10 instrumentality established by a foreign government recognized by
11 the United States before January 1, 1979, that is without official
12 representation or diplomatic relations with the United States. The
13 license plates must include the words "Foreign Organization" and
14 shall remain valid for seven [~~five~~] years.

15 (b) A person entitled to specialty license plates under this
16 section may register the vehicle without payment of any fee paid for
17 or at the time of registration.

18 SECTION 193. Section 504.509, Transportation Code, as
19 effective September 1, 2011, is transferred to Subchapter E,
20 Chapter 504, Transportation Code, and redesignated as Section
21 504.415, Transportation Code, to read as follows:

22 Sec. 504.415 [~~504.509~~]. VEHICLES CARRYING MOBILE AMATEUR
23 RADIO EQUIPMENT. The department shall issue specialty license
24 plates for a person who holds an amateur radio station license
25 issued by the Federal Communications Commission and who operates
26 receiving and transmitting mobile amateur radio equipment. The
27 license plates shall include the person's amateur call letters as

1 assigned by the Federal Communications Commission. A person may
2 register more than one vehicle equipped with mobile amateur radio
3 equipment under this section, and the department shall issue
4 license plates that include the same amateur call letters for each
5 vehicle.

6 SECTION 194. The heading to Subchapter F, Chapter 504,
7 Transportation Code, is amended to read as follows:

8 SUBCHAPTER F. SPECIALTY LICENSE PLATES WITH RESTRICTED
9 DISTRIBUTION AND REGULAR LICENSE PLATE FEES [~~FOR CERTAIN VEHICLES~~]

10 SECTION 195. (a) Section 504.501(b), Transportation Code,
11 as effective September 1, 2011, is amended to read as follows:

12 (b) A person eligible for the license plates may instead use
13 license plates that were issued by this state in the same year as
14 the model year of the vehicle and are approved by the department [~~if~~
15 ~~the plates are approved for the vehicle before January 1,~~
16 ~~2011~~]. The department may require the attachment of a registration
17 insignia to the license plate in a manner that does not affect the
18 display of information originally on the license plate.

19 (b) This section takes effect September 1, 2011.

20 SECTION 196. Section 504.502(g), Transportation Code, is
21 amended to read as follows:

22 (g) A person entitled to specialty license plates or to
23 department approval under this section may register the vehicle
24 without payment of any fees paid for or at the time of registration
25 except the fee for the license plate. [~~An owner of a vehicle~~
26 ~~registered under this subsection who violates this section commits~~
27 ~~an offense. An offense under this section is a misdemeanor~~

1 ~~punishable by a fine of not less than \$5 or more than \$200.]~~

2 SECTION 197. Section 504.503, Transportation Code, is
3 amended to read as follows:

4 Sec. 504.503. MUNICIPAL, MOTOR, AND PRIVATE BUSES.

5 [~~a~~] The department shall issue without charge specialty license
6 plates for municipal buses, motor buses, and private buses. The
7 license plates must include the words "City Bus," "Motor Bus," or
8 "Private Bus," as appropriate.

9 [~~b~~] ~~In this section, "private bus" means a bus that~~

10 [~~(1) is not operated for hire, and~~

11 [~~(2) is not classified as a municipal bus or a motor~~
12 ~~bus.~~]

13 SECTION 198. The heading to Section 504.506, Transportation
14 Code, is amended to read as follows:

15 Sec. 504.506. [~~CERTAIN~~] LOG LOADER VEHICLES.

16 SECTION 199. Sections 504.407 and 504.408, Transportation
17 Code, are transferred to Subchapter F, Chapter 504, Transportation
18 Code, and redesignated as Sections 504.511 and 504.512,
19 Transportation Code, to read as follows:

20 Sec. 504.511 [~~504.407~~]. PEACE OFFICERS WOUNDED OR KILLED
21 IN LINE OF DUTY. (a) The department shall issue specialty license
22 plates for:

23 (1) a person wounded in the line of duty as a peace
24 officer; or

25 (2) a surviving spouse, parent, brother, sister, or
26 adult child, including an adopted child or stepchild, of a person
27 killed in the line of duty as a peace officer.

1 (b) License plates issued under this section must include
2 the words "To Protect and Serve" above an insignia depicting a
3 yellow rose superimposed over the outline of a badge.

4 (c) The fee for issuance of the license plates is \$20.

5 (d) In this section, "peace officer" has the meaning
6 assigned by Section 1.07, Penal Code.

7 Sec. 504.512 [~~504.408~~]. GOLD STAR MOTHER, SPOUSE, OR
8 FAMILY MEMBER. (a) The department shall issue a specialty license
9 plate for the mother, surviving spouse, or immediate family member
10 of a person who died while serving in the United States armed
11 forces. License plates issued under this section must include the
12 words "Gold Star Mother," "Gold Star Spouse," or "Gold Star Family"
13 and a gold star. A person may not be issued more than one set of the
14 license plates at a time.

15 (a-1) In this section "immediate family member" means the
16 parent, child, or sibling of a person who died while serving in the
17 United States armed forces.

18 (b) The fee for issuance of the license plates is \$10.

19 SECTION 200. Section 504.409, Transportation Code, as
20 effective September 1, 2011, and as amended by Chapters 1136 (H.B.
21 2553) and 1381 (S.B. 1616), Acts of the 81st Legislature, Regular
22 Session, 2009, is transferred to Subchapter F, Chapter 504,
23 Transportation Code, redesignated as Section 504.513,
24 Transportation Code, and reenacted and amended to read as follows:

25 Sec. 504.513 [~~504.409~~]. FIREFIGHTERS. (a) The department
26 shall issue specialty license plates for:

27 (1) volunteer firefighters certified by:

1 (A) the Texas Commission on Fire Protection; or
2 (B) the State Firemen's and Fire Marshals'
3 Association of Texas; and

4 (2) fire protection personnel as that term is defined
5 by Section 419.021, Government Code.

6 **(b)** [~~e~~] A person may be issued not more than three sets of
7 license plates.

8 SECTION 201. Sections 504.410 and 504.411, Transportation
9 Code, are transferred to Subchapter F, Chapter 504, Transportation
10 Code, redesignated as Sections 504.514 and 504.515, Transportation
11 Code, and amended to read as follows:

12 Sec. 504.514 [~~504.410~~]. EMERGENCY MEDICAL SERVICES
13 PERSONNEL. (a) The department shall issue specialty license
14 plates for emergency medical services personnel certified by the
15 [~~Texas~~] Department of State Health Services under Subchapter C,
16 Chapter 773, Health and Safety Code.

17 (b) The fee for issuance of the license plates is \$8.

18 (c) A person may be issued only one set of the license
19 plates.

20 Sec. 504.515 [~~504.411~~]. HONORARY CONSULS. (a) The
21 department shall issue specialty license plates for a person who is
22 an honorary consul authorized by the United States to perform
23 consular duties. License plates issued under this section must
24 include the words "Honorary Consul."

25 (b) The fee for issuance of the license plates is \$40.

26 SECTION 202. Subchapter F, Chapter 504, Transportation
27 Code, is amended by adding Section 504.516 to read as follows:

1 Sec. 504.516. RENTAL TRAILER OR TRAVEL TRAILER FEE:
2 TRAILER OR SEMITRAILER. (a) The department may issue specially
3 designed license plates for rental trailers and travel trailers
4 that include, as appropriate, the words "rental trailer" or "travel
5 trailer."

6 (b) In this section:

7 (1) "Rental fleet" means vehicles that are designated
8 in the manner prescribed by the department as a rental fleet.

9 (2) "Rental trailer" means a utility trailer.

10 (3) "Travel trailer" has the meaning assigned by
11 Section 501.002.

12 SECTION 203. Section 504.6011, Transportation Code, is
13 amended by amending Subsection (a) and adding Subsection (d) to
14 read as follows:

15 (a) The sponsor of a specialty license plate [~~authorized to~~
16 ~~be issued under this subchapter before September 1, 2009,~~] may
17 contract with the private vendor authorized under Subchapter J for
18 the marketing and sale of the specialty license plate.

19 (d) A sponsor of a specialty license plate authorized to be
20 issued under this subchapter before November 19, 2009, may
21 reestablish its specialty license plate under Sections 504.601 and
22 504.702 and be credited its previous deposit with the department if
23 a contract entered into by the sponsor under Subsection (a)
24 terminates.

25 SECTION 204. Section 504.614, Transportation Code, is
26 amended by amending Subsection (a) and adding Subsection (b-1) to
27 read as follows:

1 (a) The department may issue specialty license plates that
2 include the name and insignia of a professional sports team located
3 in this state. The department shall design the license plates in
4 consultation with the professional sports team and may enter a
5 trademark license with the professional sports team or its league
6 to implement this section. A license plate may be issued under this
7 section only for a professional sports team that:

8 (1) certifies to the department that the requirements
9 of Section 504.702 are met [~~it has determined that at least 3,500~~
10 ~~persons will apply for the plates~~]; and

11 (2) plays its home games in a facility constructed or
12 operated, in whole or in part, with public funds.

13 (b-1) A public entity that receives money under Subsection
14 (b) may contract with the private vendor under Section 504.6011 to
15 distribute the entity's portion of the money in a manner other than
16 that described by Subsection (b).

17 SECTION 205. Section 504.615, Transportation Code, is
18 amended by amending Subsections (a) and (e) and adding Subsection
19 (d-1) to read as follows:

20 (a) The department shall issue specialty license plates
21 that include the name and insignia of a college. The department
22 shall design the license plates in consultation with the applicable
23 college. The department may issue a license plate under this
24 section only for a college that certifies to the department that the
25 requirements of Section 504.702 are met [~~it has determined that at~~
26 ~~least 1,500 persons will apply for the plates~~].

27 (d-1) If the fee is for the issuance of license plates for a

1 college described by Subsection (e)(3), the money:

2 (1) shall be deposited to the credit of the Texas
3 Higher Education Coordinating Board; and

4 (2) is supplementary and is not income for purposes of
5 reducing general revenue appropriations to that board.

6 (e) In this section, "college" means:

7 (1) an institution of higher education as defined by
8 Section 61.003, Education Code; [~~or~~]

9 (2) a private college or university described by
10 Section 61.222, Education Code; or

11 (3) a college or university that is not located in this
12 state.

13 SECTION 206. Section 504.616(a), Transportation Code, is
14 amended to read as follows:

15 (a) The department shall issue specialty license plates
16 including the words "Texas Reads" that [~~"Texas Reads." The~~
17 ~~department shall design the license plates to~~] incorporate one or
18 more submissions from middle school students in a competition
19 conducted by the department.

20 SECTION 207. The heading to Section 504.642, Transportation
21 Code, is amended to read as follows:

22 Sec. 504.642. TEXAS COUNCIL OF [~~COUNTY~~] CHILD WELFARE
23 BOARDS [~~BOARD~~] LICENSE PLATES.

24 SECTION 208. Section 504.642(a), Transportation Code, is
25 amended to read as follows:

26 (a) The department shall issue Texas Council of [~~County~~]
27 Child Welfare Boards specialty license plates. The department

1 shall design the license plates in consultation with the Texas
2 Council of Child Welfare Boards, Inc.

3 SECTION 209. Section 504.647(a), Transportation Code, is
4 amended to read as follows:

5 (a) The department shall issue Fight Terrorism specialty
6 license plates that [~~the license plates shall~~] include a
7 pentagon-shaped border surrounding:

8 (1) the date "9-11-01" with the likeness of the World
9 Trade Center towers forming the "11";

10 (2) the likeness of the United States flag; and

11 (3) the words "Fight Terrorism."

12 SECTION 210. Section 504.413, Transportation Code, is
13 transferred to Subchapter G, Chapter 504, Transportation Code, and
14 redesignated as Section 504.659, Transportation Code, to read as
15 follows:

16 Sec. 504.659 [~~504.413~~]. MEMBERS OF AMERICAN LEGION.

17 (a) The department shall issue specialty license plates for
18 members of the American Legion. The license plates shall include
19 the words "Still Serving America" and the emblem of the American
20 Legion. The department shall design the license plates in
21 consultation with the American Legion.

22 (b) The fee for the license plates is \$30.

23 (c) After deduction of \$8 to reimburse the department for
24 its administrative costs, the remainder of the fee for issuance of
25 the license plates shall be deposited to the credit of the American
26 Legion, Department of Texas account in the state treasury. Money in
27 the account may be used only by the Texas Veterans Commission in

1 making grants to the American Legion Endowment Fund for
2 scholarships and youth programs sponsored by the American Legion,
3 Department of Texas.

4 SECTION 211. Section 504.702, Transportation Code, is
5 amended by amending Subsection (b) and adding Subsections (e) and
6 (f) to read as follows:

7 (b) The department may manufacture the specialty license
8 plates only if a request for manufacture of the license plates is
9 filed with the department. The request must be:

10 (1) made in ~~on~~ a manner prescribed ~~[form-adopted]~~ by
11 the department;

12 (2) filed before the fifth anniversary of the
13 effective date of the law that authorizes the issuance of the
14 specialty license plates; and

15 (3) accompanied by~~+~~

16 ~~[(A)]~~ a deposit of \$8,000~~[+ex~~

17 ~~[(B) applications for issuance of at least 1,900~~
18 ~~sets of the license plates plus the fees for issuance of that number~~
19 ~~of sets].~~

20 (e) The department may issue license plates under:

21 (1) Section 504.614 for a particular professional
22 sports team only if \$8,000 has been deposited with the department
23 for that sports team; or

24 (2) Section 504.615 for a particular institution of
25 higher education or private college or university only if \$8,000
26 has been deposited with the department for that institution,
27 college, or university.

1 (f) Money deposited with the department under Subsection
2 (b)(3) or (e) shall be returned by the department to the person who
3 made the deposit after 800 sets of plates have been issued.

4 SECTION 212. Sections 504.801(a), (b), (d), and (d-1),
5 Transportation Code, as effective September 1, 2011, are amended to
6 read as follows:

7 (a) The department may create new specialty license plates
8 on its own initiative or on receipt of an application from a
9 potential sponsor. A new specialty license plate created under
10 this section must comply with each requirement of Section 504.702
11 unless the license is created by the department on its own
12 initiative. The department may permit a specialty license plate
13 created under this section to be personalized. The redesign of an
14 existing specialty license plate at the request of a sponsor shall
15 be treated like the issuance of a new specialty license plate[
16 ~~except that the department may require a nonrefundable design fee~~].

17 (b) Any nonprofit entity [~~person~~] may submit an application
18 to the department to sponsor a new specialty license plate [~~by~~
19 ~~submitting an application to the department~~]. An application may
20 nominate a state agency to receive funds derived from the issuance
21 of the license plates. The application may also identify uses to
22 which those funds should be appropriated.

23 (d) The fee for issuance of license plates created under
24 this subchapter before November 19 [~~September 1~~], 2009, is \$30
25 unless the department sets a higher fee. This subsection does not
26 apply to a specialty license plate marketed and sold by a private
27 vendor at the request of the specialty license plate sponsor.

1 (d-1) The fee for issuance of license plates created under
2 this subchapter on or after November 19 [~~September 1~~], 2009, is the
3 amount established under Section 504.851.

4 SECTION 213. The heading to Section 504.802, Transportation
5 Code, is amended to read as follows:

6 Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF
7 SPECIALTY LICENSE PLATES [~~CREATED BEFORE SEPTEMBER 1, 2009~~].

8 SECTION 214. Section 504.802, Transportation Code, is
9 amended by amending Subsections (a) and (c) and adding Subsection
10 (d) to read as follows:

11 (a) A sponsor of a specialty license plate created under
12 this subchapter [~~before September 1, 2009,~~] may contract with the
13 private vendor authorized under Subchapter J for the marketing and
14 sale of the specialty license plate.

15 (c) Notwithstanding any other law, from each fee received
16 from the issuance of a specialty license plate marketed and sold by
17 the private vendor under this section, the department shall:

18 (1) deduct the administrative costs described by
19 Section 504.801(e)(1);

20 (2) deposit the portion of the fee for the sale of the
21 plate that the state would ordinarily receive under the contract
22 described by Section 504.851(a) to the credit of:

23 (A) the specialty license plate fund, if the
24 sponsor nominated a state agency to receive the funds; [~~or~~]

25 (B) the general revenue fund, if the sponsor did
26 not nominate a state agency to receive the funds or if there is no
27 sponsor; or

1 (C) for a license plate issued under Section
2 504.614, the public entity that provides or provided funds for the
3 professional sports team's facility; and

4 (3) pay to the private vendor the remainder of the fee.

5 (d) A sponsor of a specialty license plate may reestablish
6 its specialty license plate under Sections 504.601 and 504.702 and
7 be credited its previous deposit with the department if a contract
8 entered into by the sponsor under Subsection (a) terminates.

9 SECTION 215. Effective September 1, 2014, Section
10 504.851(a), Transportation Code, is amended to read as follows:

11 (a) The department may [~~shall~~] enter into a contract with
12 the private vendor whose proposal is most advantageous to the
13 state, as determined from competitive sealed proposals that satisfy
14 the requirements of this section, for the marketing and sale of:

15 (1) personalized license plates; or

16 (2) with the agreement of the private vendor, other
17 specialty license plates authorized by Subchapters G and I.

18 SECTION 216. Section 504.851, Transportation Code, is
19 amended by amending Subsections (a-2), (c), (e), (f), and (h) and
20 adding Subsections (a-3) and (m) to read as follows:

21 (a-2) Specialty license plates authorized for marketing and
22 sale under Subsection (a) may be personalized and must include:

23 (1) specialty license plates created under
24 Subchapters G and I on or after November 19 [~~September 1~~], 2009; and

25 (2) at the request of the specialty license plate
26 sponsor, an existing specialty license plate created under
27 Subchapters G and I before November 19 [~~September 1~~], 2009.

1 (a-3) The department may contract with the private vendor
2 for the vendor to:

3 (1) host all or some of the specialty license plates on
4 the vendor's website;

5 (2) process the purchase of specialty license plates
6 hosted on the vendor's website and pay any additional transaction
7 cost; and

8 (3) share in the personalization fee for the license
9 plates hosted on the vendor's website.

10 (c) The board by rule shall establish the fees for the
11 issuance or renewal of souvenir license plates, specialty license
12 plates, or souvenir or specialty license plates that are
13 personalized that are marketed and sold by the private vendor or
14 hosted on the private vendor's website. The state's portion of the
15 personalization fee may not be less than \$40 for each year issued.
16 Other fees [~~Fees~~] must be reasonable and not less than the amounts
17 necessary to allow the department to recover all reasonable costs
18 to the department associated with the evaluation of the competitive
19 sealed proposals received by the department and with the
20 implementation and enforcement of the contract, including direct,
21 indirect, and administrative costs. A fee established under this
22 subsection is in addition to:

23 (1) the registration fee and any optional registration
24 fee prescribed by this chapter for the vehicle for which specialty
25 license plates are issued;

26 (2) any additional fee prescribed by this subchapter
27 for the issuance of specialty license plates for that vehicle; and

1 (3) any additional fee prescribed by this subchapter
2 for the issuance of personalized license plates for that vehicle.

3 (e) The portion of a contract with a private vendor
4 regarding the marketing and sale of personalized license plates is
5 payable only from amounts derived from the collection of the fee
6 established under Subsection (b). The portion of a contract with a
7 private vendor regarding the marketing, hosting, and sale of
8 souvenir license plates, specialty license plates, or souvenir or
9 specialty license plates that are personalized under Section
10 504.102 is payable only from amounts derived from the collection of
11 the fee established under Subsection (c).

12 (f) The department may approve new design and color
13 combinations for personalized or specialty license plates that are
14 marketed and sold by a private vendor under a contract entered into
15 with the private vendor. Each approved license plate design and
16 color combination remains the property of the department.

17 (h) Subject to the limitations provided by Subsections (g)
18 and (g-1), the department may disapprove a design, cancel a license
19 plate, or require the discontinuation of a license plate design or
20 color combination that is marketed, hosted, or [~~and~~] sold by a
21 private vendor under contract at any time if the department
22 determines that the disapproval, cancellation, or discontinuation
23 is in the best interest of this state or the motoring public.

24 (m) If the private vendor ceases operation:

25 (1) the program may be operated temporarily by the
26 department under new agreements with the license plate sponsors
27 until another vendor is selected and begins operation; and

1 (2) the private vendor's share of the revenue is
2 deposited to the credit of the general revenue fund.

3 SECTION 217. Section 504.853, Transportation Code, is
4 amended to read as follows:

5 Sec. 504.853. SPECIALTY AND PERSONALIZED LICENSE PLATES
6 ISSUED BEFORE NOVEMBER 19 [SEPTEMBER 1], 2009. (a) A specialty or
7 personalized license plate issued before November 19 [September 1],
8 2009, may be issued for a subsequent registration period only if the
9 applicant submits an application and pays the required fee for the
10 applicable registration period. A person who is issued a
11 personalized license plate has first priority on that license plate
12 for each subsequent registration period for which the person
13 submits a new application for that plate.

14 (b) Unless the board by rule adopts a higher fee or the
15 license plate is not renewed annually, the [The] fee for issuance of
16 a [personalized] license plate issued before November 19 [September
17 1], 2009, is:

18 (1) the fee provided for in Section 504.601 for a
19 specialty license plate; and

20 (2) \$40 for a personalized license plate[~~, unless the~~
21 director adopts by rule a higher fee].

22 (c) A person who is issued a specialty or personalized
23 license plate by the department before November 19 [September 1],
24 2009, may:

25 (1) submit an application for the plate under
26 Subsection (a) and pay the required fee for each subsequent
27 registration period under Subsection (b); or

1 (2) purchase through the private vendor a license to
2 display the alphanumeric pattern on a license plate for any term
3 allowed by law.

4 (d) The department may not issue a replacement set of
5 personalized license plates to the same person before the period
6 set by rule [~~sixth anniversary of the date of issuance~~] unless the
7 applicant for issuance of replacement plates pays an additional fee
8 of \$30.

9 (e) Of each fee collected by the department under Subsection
10 (b)(2) [~~this section~~]:

11 (1) \$1.25 shall be used by the department to defray the
12 cost of administering this section; and

13 (2) the remainder shall be deposited to the credit of
14 the general revenue fund.

15 SECTION 218. Sections 504.854(a) and (b), Transportation
16 Code, are amended to read as follows:

17 (a) The board by rule [~~private vendor~~] may provide for the
18 private vendor to:

19 (1) sell at auction a license to display a unique
20 alphanumeric pattern on a license plate for a period set by board
21 rule;

22 (2) reserve an unissued alphanumeric pattern from the
23 department for purposes of auctioning a license to display the
24 pattern for a period set by board rule; and

25 (3) purchase from a customer an unexpired license to
26 display an alphanumeric pattern for purposes of auction by the
27 vendor.

1 (b) A [~~Only a~~] license to display an alphanumeric pattern
2 purchased under this section [~~or a license to display an~~
3 ~~alphanumeric pattern sold by the private vendor under Section~~
4 ~~504.853~~] may be transferred to another person without payment of
5 the fee provided by Section 504.855. [~~The transferee is entitled to~~
6 ~~the same rights and privileges as the transferor.~~]

7 SECTION 219. Subchapter J, Chapter 504, Transportation
8 Code, is amended by adding Section 504.855 to read as follows:

9 Sec. 504.855. TRANSFERABILITY OF CERTAIN PATTERNS. The
10 board by rule may:

11 (1) authorize a person who purchases a license to
12 display an alphanumeric pattern for a period of five years or more
13 to transfer the license; and

14 (2) establish a transfer fee to be distributed in
15 accordance with the contract with the private vendor.

16 SECTION 220. Chapter 504, Transportation Code, is amended
17 by adding Subchapter K to read as follows:

18 SUBCHAPTER K. TRANSFER AND REMOVAL OF LICENSE PLATES

19 Sec. 504.901. TRANSFER AND REMOVAL OF LICENSE PLATES. (a)
20 On the sale or transfer of a motor vehicle to a dealer who holds a
21 general distinguishing number issued under Chapter 503, the dealer
22 shall remove each license plate issued for the motor vehicle. A
23 person may use the license plates removed from a motor vehicle on a
24 new motor vehicle purchased from a dealer after the person obtains
25 the department's approval of a title and registration application.

26 (b) On the sale or transfer of a motor vehicle to a person
27 who does not hold a general distinguishing number issued under

1 Chapter 503, the seller may remove each license plate issued for the
2 motor vehicle. The license plates may be transferred to another
3 vehicle titled in the seller's name if the seller obtains:

4 (1) the department's approval of an application to
5 transfer the license plates; and

6 (2) a new registration insignia for the motor vehicle.

7 (c) A license plate removed from a motor vehicle that is not
8 transferred to another motor vehicle must be disposed of in a manner
9 specified by the department.

10 (d) To be eligible for transfer, license plates must be
11 appropriate for the class of vehicle to which the plates are being
12 transferred.

13 SECTION 221. Chapter 504, Transportation Code, is amended
14 by adding Subchapter L to read as follows:

15 SUBCHAPTER L. OFFENSES AND PENALTIES

16 Sec. 504.941. ANTIQUE VEHICLES; OFFENSE. (a) A person who
17 violates Section 504.502 commits an offense. An offense under this
18 section is a misdemeanor punishable by a fine of not less than \$5 or
19 more than \$200.

20 (b) It is an affirmative defense to prosecution under this
21 section that at the time of the offense the vehicle was en route to
22 or from a location for the purpose of routine maintenance of the
23 vehicle.

24 Sec. 504.942. LOG LOADER VEHICLES; PENALTIES. A vehicle
25 operated in violation of Section 504.506 is considered to be
26 operated or moved while unregistered and is immediately subject to
27 the applicable fees and penalties prescribed by this chapter.

1 Sec. 504.943. OPERATION OF VEHICLE WITHOUT LICENSE PLATE.

2 (a) Except as provided by Subsection (b), a person commits an
3 offense if the person operates on a public highway, during a
4 registration period, a motor vehicle that does not display two
5 license plates that:

6 (1) have been assigned by the department for the
7 period; and

8 (2) comply with department rules regarding the
9 placement of license plates.

10 (b) A person commits an offense if the person operates on a
11 public highway during a registration period a road tractor,
12 motorcycle, trailer, or semitrailer that does not display a license
13 plate that:

14 (1) has been assigned by the department for the
15 period; and

16 (2) complies with department rules regarding the
17 placement of license plates.

18 (c) This section does not apply to a dealer operating a
19 vehicle as provided by law.

20 (d) A court may dismiss a charge brought under Subsection
21 (a)(1) if the defendant:

22 (1) remedies the defect before the defendant's first
23 court appearance; and

24 (2) pays an administrative fee not to exceed \$10.

25 SECTION 222. Section 502.408, Transportation Code, is
26 transferred to Subchapter L, Chapter 504, Transportation Code, as
27 added by this Act, redesignated as Section 504.944, Transportation

1 Code, and amended to read as follows:

2 Sec. 504.944 [~~502.408~~]. OPERATION OF VEHICLE WITH WRONG
3 LICENSE PLATE. [~~(a)~~] A person commits an offense if the person
4 operates, or as the owner permits another to operate, on a public
5 highway a motor vehicle that has attached to it a number plate or
6 registration insignia issued for a different vehicle. An offense
7 under this section [~~subsection~~] is a misdemeanor punishable by a
8 fine not to exceed \$200.

9 SECTION 223. Subchapter L, Chapter 504, Transportation
10 Code, as added by this Act, is amended by adding Section 504.945 to
11 read as follows:

12 Sec. 504.945. WRONG, FICTITIOUS, ALTERED, OR OBSCURED
13 LICENSE PLATE. (a) A person commits an offense if the person
14 attaches to or displays on a motor vehicle a license plate that:

15 (1) is issued for a different motor vehicle;
16 (2) is issued for the vehicle under any other motor
17 vehicle law other than by the department;

18 (3) is assigned for a registration period other than
19 the registration period in effect;

20 (4) is fictitious;

21 (5) has blurring or reflective matter that
22 significantly impairs the readability of the name of the state in
23 which the vehicle is registered or the letters or numbers of the
24 license plate number at any time;

25 (6) has an attached illuminated device or sticker,
26 decal, emblem, or other insignia that is not authorized by law and
27 that interferes with the readability of the letters or numbers of

1 the license plate number or the name of the state in which the
2 vehicle is registered; or

3 (7) has a coating, covering, protective substance, or
4 other material that:

5 (A) distorts angular visibility or
6 detectability;

7 (B) alters or obscures one-half or more of the
8 name of the state in which the vehicle is registered; or

9 (C) alters or obscures the letters or numbers of
10 the license plate number or the color of the plate.

11 (b) Except as provided by Subsection (e), an offense under
12 Subsection (a) is a misdemeanor punishable by a fine of not more
13 than \$200, unless it is shown at the trial of the offense that the
14 owner knowingly altered or made illegible the letters, numbers, and
15 other identification marks, in which case the offense is a Class B
16 misdemeanor.

17 (c) Subsection (a)(7) may not be construed to apply to:

18 (1) a trailer hitch installed on a vehicle in a normal
19 or customary manner;

20 (2) a transponder, as defined by Section 228.057, that
21 is attached to a vehicle in the manner required by the issuing
22 authority;

23 (3) a wheelchair lift or wheelchair carrier that is
24 attached to a vehicle in a normal or customary manner;

25 (4) a trailer being towed by a vehicle; or

26 (5) a bicycle or motorcycle rack that is attached to a
27 vehicle in a normal or customary manner.

1 (d) A court may dismiss a charge brought under Subsection
2 (a)(3), (5), (6), or (7) if the defendant:

3 (1) remedies the defect before the defendant's first
4 court appearance; and

5 (2) pays an administrative fee not to exceed \$10.

6 (e) An offense under Subsection (a)(4) is a Class B
7 misdemeanor.

8 SECTION 224. Subchapter A, Chapter 520, Transportation
9 Code, is amended by adding Sections 520.003 and 520.004 to read as
10 follows:

11 Sec. 520.003. RULES; WAIVER OF FEES. The department may
12 adopt rules to administer this chapter, including rules that waive
13 the payment of fees if a dealer has gone out of business and the
14 applicant can show that fees were paid to the dealer.

15 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department
16 has jurisdiction over the registration and titling of, and the
17 issuance of license plates to, motor vehicles in compliance with
18 the applicable statutes. The board by rule:

19 (1) shall provide services that are reasonable,
20 adequate, and efficient;

21 (2) shall establish standards for uniformity and
22 service quality for counties and dealers licensed under Section
23 520.005; and

24 (3) may conduct public service education campaigns
25 related to the department's functions.

26 SECTION 225. Section 501.137, Transportation Code, is
27 transferred to Subchapter A, Chapter 520, Transportation Code,

1 redesignated as Section 520.005, Transportation Code, and amended
2 to read as follows:

3 Sec. 520.005 [~~501.137~~]. DUTY AND RESPONSIBILITIES OF
4 COUNTY ASSESSOR-COLLECTOR. (a) Each county assessor-collector
5 shall comply with Chapter 501 [~~this chapter~~].

6 (b) An assessor-collector who fails or refuses to comply
7 with Chapter 501 [~~this chapter~~] is liable on the
8 assessor-collector's official bond for resulting damages suffered
9 by any person.

10 (c) Notwithstanding the requirements of Sections 520.008
11 and 520.0091, the assessor-collector may license franchised and
12 non-franchised motor vehicle dealers to title and register motor
13 vehicles in accordance with rules adopted under Section 520.004.
14 The county assessor-collector may pay a fee to a motor vehicle
15 dealer independent of or as part of the portion of the fees that
16 would be collected by the county for each title and registration
17 receipt issued.

18 SECTION 226. Section 502.109, Transportation Code, is
19 transferred to Subchapter A, Chapter 520, Transportation Code,
20 redesignated as Section 520.006, Transportation Code, and amended
21 to read as follows:

22 Sec. 520.006 [~~502.109~~]. COMPENSATION OF ASSESSOR-COLLECTOR.
23 (a) A county assessor-collector shall receive a fee of \$1.90 for
24 each receipt issued under Chapter 502 [~~this chapter. If the~~
25 ~~assessor-collector may be compensated by fees, a fee received is~~
26 ~~compensation for services under this chapter. The~~
27 ~~assessor-collector shall deduct the fee weekly from the gross~~

1 ~~collections made under this chapter].~~

2 (a-1) A county collecting fees on behalf of a county that
3 has been declared as a disaster area for purposes of Section 501.023
4 or 502.040 may retain the commission for fees collected, but shall
5 allocate the fees to the county declared as a disaster area.

6 (b) A county assessor-collector who is compensated under
7 this section shall pay the entire expense of issuing registration
8 receipts and license plates under Chapter 501 or 502 ~~[this chapter]~~
9 from the compensation allowed under this section.

10 SECTION 227. Section 502.111, Transportation Code, is
11 transferred to Subchapter A, Chapter 520, Transportation Code,
12 redesignated as Section 520.007, Transportation Code, and amended
13 to read as follows:

14 Sec. 520.007 ~~[502.111]~~. COUNTY BRANCH OFFICES. (a) The
15 commissioners court of a county may authorize the county
16 assessor-collector to:

17 (1) establish a suboffice or branch office for vehicle
18 registration at one or more locations in the county other than the
19 county courthouse; or

20 (2) appoint a deputy to register vehicles in the same
21 manner and with the same authority as though done in the office of
22 the assessor-collector.

23 (b) The report of vehicles registered through a suboffice or
24 branch office shall be made through the office of the county
25 assessor-collector.

26 SECTION 228. Section 502.114, Transportation Code, is
27 transferred to Subchapter A, Chapter 520, Transportation Code,

1 redesignated as Section 520.008, Transportation Code, and amended
2 to read as follows:

3 Sec. 520.008 [~~502.114~~]. FULL-SERVICE DEPUTIES. (a) A
4 full-service deputy appointed under Section 520.0091 [~~502.112~~]
5 shall accept any application for registration, registration
6 renewal, or title transfer that the county assessor-collector may
7 accept.

8 (b) A full-service deputy may charge and retain an
9 additional motor vehicle registration fee not to exceed \$5 for each
10 motor vehicle registration issued.

11 (c) A county assessor-collector may delegate to a
12 full-service deputy, in the manner selected by the
13 assessor-collector, the authority to use data processing equipment
14 and software provided by the department for use in the titling and
15 registration of motor vehicles. The department may not limit a
16 county assessor-collector's ability to delegate the
17 assessor-collector's functions regarding the titling and
18 registration of motor vehicles to a qualified full-service deputy
19 in the manner the assessor-collector considers appropriate.

20 SECTION 229. Section 502.113, Transportation Code, is
21 transferred to Subchapter A, Chapter 520, Transportation Code,
22 redesignated as Section 520.009, Transportation Code, and amended
23 to read as follows:

24 Sec. 520.009 [~~502.113~~]. LIMITED-SERVICE DEPUTIES. (a) A
25 limited-service deputy appointed under Section 520.0091 [~~502.112~~]
26 may only accept registration renewals [~~renewal cards~~] provided by
27 the department and may not prepare or accept an application for

1 title transfer.

2 (b) The county assessor-collector may pay a limited-service
3 deputy an amount not to exceed the fee the assessor-collector could
4 collect under Section 520.006(a) [~~502.109(a)~~] for each
5 registration receipt issued. The commissioners court of the county
6 may permit a limited-service deputy to charge and retain an
7 additional fee not to exceed \$1 for each registration receipt
8 issued by the deputy.

9 SECTION 230. Section 502.112, Transportation Code, is
10 transferred to Subchapter A, Chapter 520, Transportation Code, and
11 redesignated as Section 520.0091, Transportation Code, to read as
12 follows:

13 Sec. 520.0091 [~~502.112~~]. DEPUTY ASSESSOR-COLLECTORS.

14 (a) A county assessor-collector, with the approval of the
15 commissioners court of the county, may deputize an individual or
16 business entity to:

17 (1) issue motor vehicle registration receipts as a
18 limited-service deputy; or

19 (2) issue motor vehicle registration receipts and
20 prepare or accept applications for title transfers as a
21 full-service deputy.

22 (b) An individual or business entity is eligible to be
23 deputized as a limited-service deputy if the person:

24 (1) is trained to issue registration receipts by the
25 county assessor-collector; and

26 (2) posts a bond payable to the county
27 assessor-collector:

1 (A) in an amount determined by the
2 assessor-collector; and

3 (B) conditioned on the person's proper
4 accounting and remittance of all fees the person collects.

5 (c) An individual or business entity is eligible to be
6 deputized as a full-service deputy if the person:

7 (1) meets the requirements of Subsection (b); and

8 (2) has experience in title transfers.

9 (d) A person deputized under this section shall keep a
10 separate account of the fees collected and a record of daily
11 receipts.

12 SECTION 231. Section 501.136, Transportation Code, is
13 transferred to Subchapter A, Chapter 520, Transportation Code,
14 redesignated as Section 520.0092, Transportation Code, and amended
15 to read as follows:

16 Sec. 520.0092 [~~501.136~~]. ACTS BY DEPUTY COUNTY
17 ASSESSOR-COLLECTOR. A deputy county assessor-collector, other
18 than a limited service deputy appointed under Section 520.0091
19 [~~502.112~~], may perform the duties of an assessor-collector under
20 Chapter 501 [~~this chapter~~].

21 SECTION 232. Section 520.002, Transportation Code, is
22 redesignated as Section 520.0093, Transportation Code, and amended
23 to read as follows:

24 Sec. 520.0093 [~~520.002~~]. LEASE OF ADDITIONAL COMPUTER
25 EQUIPMENT. (a) This section applies only to the lease of equipment
26 to a county for the operation of the automated registration and
27 titling [~~title~~] system in addition to the equipment provided by the

1 department at no cost to the county under a formula prescribed by
2 the department.

3 (b) On the request of the tax assessor-collector of a
4 county, the department may enter into an agreement with the
5 commissioners court of that county under which the department
6 leases additional equipment to the county for the use of the tax
7 assessor-collector in operating the automated registration and
8 titling [~~title~~] system in that county.

9 (c) A county may install equipment leased under this section
10 at offices of the county or of an agent of the county.

11 (d) Equipment leased under this section:

12 (1) remains the property of the department; and

13 (2) must be used primarily for the automated
14 registration and titling [~~title~~] system.

15 (e) Under the agreement, the department shall charge [~~the~~
16 ~~county~~] an amount not less than the amount of the cost to the
17 department to provide the additional equipment and any related
18 services under the lease. All money collected under the lease shall
19 be deposited to the credit of the state highway fund.

20 SECTION 233. The heading to Subchapter B, Chapter 520,
21 Transportation Code, is amended to read as follows:

22 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS [~~MOTOR NUMBER RECORD~~
23 ~~REQUIREMENTS~~]

24 SECTION 234. Subchapter B, Chapter 520, Transportation
25 Code, is amended by adding Section 520.015 to read as follows:

26 Sec. 520.015. INFORMATION CONSOLIDATION STUDY. (a) In
27 consultation with the Department of Public Safety, the department

1 shall conduct a study on the consolidation of similar information
2 that is collected separately by each agency. The study should
3 include recommendations that sufficiently protect the privacy of
4 the public and the security and integrity of information provided.

5 (b) The study must be completed not later than September 1,
6 2012.

7 SECTION 235. Section 520.036, Transportation Code, is
8 transferred to Subchapter B, Chapter 520, Transportation Code,
9 redesignated as Section 520.016, Transportation Code, and amended
10 to read as follows:

11 Sec. 520.016 [~~520.036~~]. GENERAL PENALTY. (a) A person
12 commits an offense if the person violates this subchapter in a
13 manner for which a specific penalty is not provided.

14 (b) An offense under this section is a misdemeanor
15 punishable by a fine of not less than \$50 and not more than \$200.

16 (c) This section does not apply to a violation of Section
17 520.006, 520.008, 520.009, 520.0091, or 520.0092.

18 SECTION 236. Section 520.051(5), Transportation Code, is
19 amended to read as follows:

20 (5) "Title service record" means the written or
21 electronic record for each transaction in which a motor vehicle
22 title service receives compensation.

23 SECTION 237. Section 548.052, Transportation Code, is
24 amended to read as follows:

25 Sec. 548.052. VEHICLES NOT SUBJECT TO INSPECTION. This
26 chapter does not apply to:

27 (1) a trailer, semitrailer, pole trailer, or mobile

1 home moving under or bearing a current factory-delivery license
2 plate or current in-transit license plate;

3 (2) a vehicle moving under or bearing a paper dealer
4 in-transit tag, machinery license, disaster license, parade
5 license, prorated tab, one-trip permit, vehicle temporary transit
6 permit, antique license, temporary 24-hour permit, or permit
7 license;

8 (3) a trailer, semitrailer, pole trailer, or mobile
9 home having an actual gross weight or registered gross weight of
10 4,500 pounds or less;

11 (4) farm machinery, road-building equipment, a farm
12 trailer, or a vehicle required to display a slow-moving-vehicle
13 emblem under Section 547.703;

14 (5) a former military vehicle, as defined by Section
15 504.502 [~~502.275~~];

16 (6) a vehicle qualified for a tax exemption under
17 Section 152.092, Tax Code; or

18 (7) a vehicle for which a certificate of title has been
19 issued but that is not required to be registered.

20 SECTION 238. The heading to Subchapter F, Chapter 551,
21 Transportation Code, is amended to read as follows:

22 SUBCHAPTER F. GOLF CARTS AND UTILITY VEHICLES

23 SECTION 239. Section 551.401, Transportation Code, is
24 amended to read as follows:

25 Sec. 551.401. DEFINITIONS. In this subchapter:

26 (1) "Golf [~~"golf~~] cart" and "public highway" have
27 the meanings assigned by Section 502.001.

1 (2) "Utility vehicle" means a motor vehicle that is
2 not a golf cart or lawn mower and is:

3 (A) equipped with side-by-side seating for the
4 use of the operator and a passenger;

5 (B) designed to propel itself with at least four
6 tires in contact with the ground;

7 (C) designed by the manufacturer for off-highway
8 use only; and

9 (D) designed by the manufacturer primarily for
10 utility work and not for recreational purposes.

11 SECTION 240. The heading to Section 551.404, Transportation
12 Code, is amended to read as follows:

13 Sec. 551.404. OPERATION IN MUNICIPALITIES AND CERTAIN
14 COUNTIES.

15 SECTION 241. Section 551.404, Transportation Code, is
16 amended by adding Subsection (a-1), and amending Subsection (b) to
17 read as follows:

18 (a-1) In addition to the operation authorized by Section
19 551.403, the commissioners court of a county that borders or
20 contains a portion of the Guadalupe River and contains a part of a
21 barrier island that borders the Gulf of Mexico may allow an operator
22 to operate a golf cart or utility vehicle on all or part of a public
23 highway that:

24 (1) is located in the unincorporated area of the
25 county; and

26 (2) has a speed limit of not more than 35 miles per
27 hour.

1 (b) A golf cart or utility vehicle operated under this
2 section [~~Subsection (a)~~] must have the following equipment:

- 3 (1) headlamps;
- 4 (2) taillamps;
- 5 (3) reflectors;
- 6 (4) parking brake; and
- 7 (5) mirrors.

8 SECTION 242. Section 681.005, Transportation Code, is
9 amended to read as follows:

10 Sec. 681.005. DUTIES OF COUNTY ASSESSOR-COLLECTOR. Each
11 county assessor-collector shall send to the department[+]

12 [~~(1)~~] each fee collected under Section 681.003, to be
13 deposited in the state highway fund to defray the cost of providing
14 the disabled parking placard[+, and

15 [~~(2) a copy of each application for a disabled parking~~
16 ~~placard]~~.

17 SECTION 243. Section 681.012(a-1), Transportation Code, is
18 amended to read as follows:

19 (a-1) A peace officer may seize a disabled parking placard
20 from a person who operates a vehicle on which a disabled parking
21 placard is displayed if the peace officer determines by inspecting
22 the person's driver's license or personal identification
23 certificate that the disabled parking placard does not contain the
24 first four digits of the driver's license number or personal
25 identification certificate number and the initials of:

- 26 (1) the person operating the vehicle; [~~or~~]
- 27 (2) the applicant on behalf of a person being

1 transported by the vehicle; or

2 (3) a person being transported by the vehicle.

3 SECTION 244. Section 386.251(c), Health and Safety Code, is
4 amended to read as follows:

5 (c) The fund consists of:

6 (1) the amount of money deposited to the credit of the
7 fund under:

8 (A) Section 386.056;

9 (B) Sections 151.0515 and 152.0215, Tax Code; and

10 (C) Sections 501.138, 502.358 [~~502.1675~~], and
11 548.5055, Transportation Code; and

12 (2) grant money recaptured under Section 386.111(d)
13 and Chapter 391.

14 SECTION 245. Section 2302.204, Occupations Code, is amended
15 to read as follows:

16 Sec. 2302.204. CASUAL SALES. This chapter does not apply to
17 a person who purchases fewer than five [~~three~~] nonrepairable motor
18 vehicles or salvage motor vehicles from a salvage vehicle dealer,
19 an insurance company or salvage pool operator in a casual sale at
20 auction, except that:

21 (1) the board shall adopt rules as necessary to
22 regulate casual sales by salvage vehicle dealers, insurance
23 companies, or salvage pool operators and to enforce this section;
24 and

25 (2) a salvage vehicle dealer, insurance company, or
26 salvage pool operator who sells a motor vehicle in a casual sale
27 shall comply with those rules and Subchapter E, Chapter 501,

1 Transportation Code.

2 SECTION 246. (a) Subchapter H, Chapter 2302, Occupations
3 Code, is amended by adding Section 2302.354 to read as follows:

4 Sec. 2302.354. ADMINISTRATIVE PENALTY. (a) The department
5 may impose an administrative penalty against a person licensed
6 under this chapter who violates this chapter or a rule or order
7 adopted under this chapter.

8 (b) The penalty may not be less than \$50 or more than \$1,000,
9 and each day a violation continues or occurs is a separate violation
10 for the purpose of imposing a penalty. The amount of the penalty
11 shall be based on:

12 (1) the seriousness of the violation, including the
13 nature, circumstances, extent, and gravity of the violation;

14 (2) the economic harm caused by the violation;

15 (3) the history of previous violations;

16 (4) the amount necessary to deter a future violation;

17 (5) efforts to correct the violation; and

18 (6) any other matter that justice requires.

19 (c) The person may stay enforcement during the time the
20 order is under judicial review if the person pays the penalty to the
21 court clerk or files a supersedeas bond with the court in the amount
22 of the penalty. A person who cannot afford to pay the penalty or
23 file the bond may stay enforcement by filing an affidavit in the
24 manner required by the Texas Rules of Civil Procedure for a party
25 who cannot afford to file security for costs, subject to the right
26 of the department to contest the affidavit as provided by those
27 rules.

1 (d) A proceeding to impose an administrative penalty is
2 subject to Chapter 2001, Government Code.

3 (b) Section 2302.354, Occupations Code, as added by this
4 section, applies only to a violation of Chapter 2302, Occupations
5 Code, or a rule or order of the Texas Department of Motor Vehicles
6 adopted under that chapter, committed on or after the effective
7 date of this section. A violation committed before the effective
8 date of this section is governed by the law in effect when the
9 violation was committed, and the former law is continued in effect
10 for that purpose.

11 (c) This section takes effect September 1, 2011.

12 SECTION 247. The following provisions of the Transportation
13 Code are repealed:

- 14 (1) Sections 501.026 and 501.075;
- 15 (2) Sections 501.094 and 501.133;
- 16 (3) Sections 501.134(e), (f), and (i);
- 17 (4) Sections 502.0074, 502.0075, 502.008, 502.104,
18 502.105, 502.1535, 502.154, 502.175, 502.177, 502.206, 502.271,
19 502.2862, and 502.2971;
- 20 (5) Sections 502.403 and 502.405;
- 21 (6) Section 502.407(c);
- 22 (7) Section 502.412(c);
- 23 (8) Sections 502.452, 502.453, 502.455, and 502.456;
- 24 (9) Section 504.201(h);
- 25 (10) Section 504.316(b);
- 26 (11) Section 504.401(b);
- 27 (12) Section 504.402(b);

- 1 (13) Section 504.403(b);
- 2 (14) Section 504.404(b);
- 3 (15) Section 504.405(b);
- 4 (16) Section 504.502(j);
- 5 (17) Section 504.506(f);
- 6 (18) Section 504.507(c);
- 7 (19) Section 504.508(d);
- 8 (20) Sections 504.624, 504.629, 504.634, 504.643,
- 9 504.649, 504.650, 504.653, 504.655, and 504.701;
- 10 (21) Section 504.702(c);
- 11 (22) Section 504.851(k);
- 12 (23) Section 504.854(c);
- 13 (24) Sections 520.013 and 520.034; and
- 14 (25) the headings to Subchapters C and D, Chapter 520.

15 SECTION 248. (a) The change in law made by this Act applies
16 only to an offense committed on or after January 1, 2012.

17 (b) An offense committed before January 1, 2012, is covered
18 by the law in effect when the offense was committed, and the former
19 law is continued in effect for that purpose. For purposes of this
20 subsection, an offense was committed before January 1, 2012, if any
21 element of the offense was committed before that date.

22 SECTION 249. To the extent of any conflict, this Act
23 prevails over another Act of the 82nd Legislature, Regular Session,
24 2011, relating to nonsubstantive additions to and corrections in
25 enacted codes.

26 SECTION 250. Except as otherwise provided by this Act, this
27 Act takes effect January 1, 2012.

David Newkirk

President of the Senate

Joe Straus

Speaker of the House

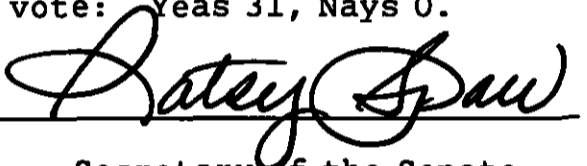
I certify that H.B. No. 2357 was passed by the House on May 13, 2011, by the following vote: Yeas 132, Nays 4, 2 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 2357 on May 26, 2011, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 2357 on May 29, 2011, by the following vote: Yeas 139, Nays 6, 1 present, not voting.

Robert Haney

Chief Clerk of the House

H.B. No. 2357

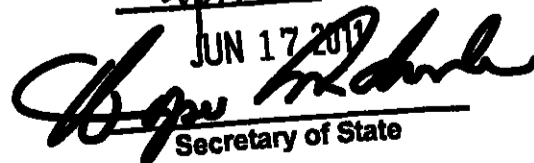
I certify that H.B. No. 2357 was passed by the Senate, with amendments, on May 24, 2011, by the following vote: Yeas 31, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 2357 on May 29, 2011, by the following vote: Yeas 31, Nays 0.


Secretary of the Senate

APPROVED: 17 Jun '11

Date


Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:00 O'CLOCK
JUN 17 2011

Secretary of State