

Amend CSHB 3588 by inserting new ARTICLES 13, 14, 15 and 16 to read as follows, and renumbering all subsequent ARTICLES as appropriate:

ARTICLE 13. FINANCIAL RESPONSIBILITY REQUIREMENTS

SECTION 1.01. Chapter 601, Transportation Code, is amended by adding Subchapters N and O to read as follows:

SUBCHAPTER N. DATABASE INTERFACE SYSTEM TO VERIFY  
FINANCIAL RESPONSIBILITY

Sec. 601.450. FEASIBILITY STUDY. (a) The department and the Texas Department of Insurance shall jointly conduct a study on the feasibility, affordability, and practicability of using a database interface software system for verification of whether owners of motor vehicles have established financial responsibility as required by this chapter. The study must include consideration of whether the system:

(1) is likely to reduce the number of uninsured motorists in this state;

(2) is likely to operate reliably;

(3) is cost-effective;

(4) will sufficiently protect the privacy of the motor vehicle owners; and

(5) will sufficiently ensure the security and integrity of each database to which it is applied.

(b) Before July 1, 2004, the department and the Texas Department of Insurance shall complete the study and jointly issue an order stating a determination of whether the system should be implemented.

(c) If it is determined that the system should be implemented, the department shall implement the system before January 1, 2005, and Subchapter O and this section expire January 1, 2005. The department is not required to carry out the other sections of this subchapter before the determination is made.

(d) If it is determined that the system should not be implemented:

(1) the Texas Department of Transportation shall implement Subchapter O before July 1, 2005; and

(2) this subchapter expires on the date of issuance of

the order stating the determination.

Sec. 601.451. IMPLEMENTATION OF SYSTEM; RULES. (a) The department shall establish a database interface software system for verification of whether owners of motor vehicles have established financial responsibility.

(b) The department shall adopt rules to administer this subchapter.

Sec. 601.452. AGENT. (a) The department, under a competitive bidding procedure, shall select an agent to develop, implement, operate, and maintain the system.

(b) The department and the Texas Department of Insurance shall jointly enter into a contract with the selected agent.

(c) A contract under this section may not have a term of more than 10 years.

Sec. 601.453. INFORMATION PROVIDED BY INSURANCE COMPANY; PRIVACY. (a) Each insurance company providing motor vehicle liability policies in this state shall allow the agent sufficient access to its databases to allow the agent to carry out this subchapter, subject to the agent's contract with the department and the Texas Department of Insurance and rules adopted under this subchapter.

(b) The agent may have access only to information determined by the department and the Texas Department of Insurance to be necessary to carry out this subchapter.

(c) Information obtained under this subchapter is confidential. The agent may use the information only for a purpose authorized under this subchapter and may not use the information for a commercial purpose.

(d) A person commits an offense if the person knowingly uses information obtained under this subchapter for any purpose not authorized under this subchapter. An offense under this subsection is a Class B misdemeanor.

SUBCHAPTER O. VERIFICATION OF COMPLIANCE WITH  
AND ENFORCEMENT OF  
FINANCIAL RESPONSIBILITY REQUIREMENTS

Sec. 601.501. DEFINITION. In this subchapter, "verification date" means the date on which the Texas Department of

Transportation mails a written request to an owner of a motor vehicle requiring the owner to state whether the owner has established financial responsibility in accordance with Section 601.051(a).

Sec. 601.5015. LEASED VEHICLE. In applying the requirements of the chapter to a situation in which the vehicle is subject to a written lease which had an original term of one year or longer and the person who has legal title to the vehicle does not have actual physical possession of the vehicle at the time the requirement applies, the requirements and fees of this chapter otherwise applicable to an owner or to a person who holds legal title to a vehicle or who owns the lease. However in that situation the person who holds legal title to the vehicle shall promptly, upon receipt from the Department or its designated agent of a request for information about the motor vehicle and the owner's method of establishing financial responsibility, provide to the Department or its designated agent the name of the lessee and the last known address of the lessee according to the titleholder's records. The civil and criminal penalties of this chapter which otherwise are applicable to owners or to a person who registers the vehicle or to the vehicle shall not apply to an owner or the vehicle of an owner which complies with this section, but shall instead apply to the lessee, and the Department shall not terminate the registration of an owner's vehicle which is subject to a lease described in this section.

Sec. 601.502. VERIFICATION OF ESTABLISHMENT OF FINANCIAL RESPONSIBILITY THROUGH RANDOM SAMPLING. (a) The Texas Department of Transportation or an agent of that department shall randomly select samples of registrations of motor vehicles subject to this chapter, and may select samples of owners of motor vehicles subject to this chapter, to verify whether an owner who is selected or whose motor vehicle is selected has established financial responsibility in accordance with Section 601.051(a). The Department of Public Safety shall provide the Texas Department of Transportation access to any information that will allow the Texas Department of Transportation to comply with this subsection.

(b) A sample selected under this section may not be

classified on the basis of the owner's race, color, religion, sex, national origin, age, marital status, physical or mental disability, economic status, or geographic location.

(c) In addition to the general random sampling of motor vehicle registrations, the Texas Department of Transportation may randomly select other persons who own a registered motor vehicle to verify that the person has established financial responsibility, including a person:

(1) who, during the four-year period preceding the date of selection, has been convicted of a violation of Section 601.191, 601.195, 601.196, as it existed before repeal, or 601.506, including a violation that occurred while the person was operating a motor vehicle owned by another person; or

(2) whose driver's license or motor vehicle registration has been suspended during the four-year period preceding the date of selection.

(d) The Texas Department of Transportation shall send to the owner of a randomly selected motor vehicle, or to a randomly selected motor vehicle owner, a request for information about the motor vehicle and the owner's method of establishing financial responsibility. The request must require the owner to state whether the owner has, as of the verification date, established financial responsibility in accordance with Section 601.051(a).

(e) The Texas Department of Transportation:

(1) shall adopt rules as necessary to implement this subchapter; and

(2) by rule shall:

(A) establish the frequency of sample selection; and

(B) prescribe:

(i) the methods employed for the random selection of samples and the procedures necessary for implementation of the verification process, including the method of sending the verification request, which may include certified mail, return receipt requested;

(ii) the form for verification of financial responsibility; and

(iii) the information to be requested in the prescribed form.

(f) The Texas Department of Transportation may require the information provided by an owner to include a statement by the owner that the owner had, as of the verification date, established financial responsibility:

(1) through liability insurance under Subchapter D, including:

(A) the name and address of the insurer;

(B) the number of the insurance policy; and

(C) the expiration date of the insurance coverage;

(2) by filing a surety bond with the Department of Public Safety under Section 601.121, including:

(A) the name and address of the company issuing the bond;

(B) the identification number of the bond; and

(C) the expiration date of the bond;

(3) by depositing cash or securities with the comptroller under Section 601.122, including a copy of the certificate issued by the comptroller showing compliance;

(4) by depositing cash or a cashier's check with the county judge of the county in which the motor vehicle is registered under Section 601.123, including a copy of the certificate issued by the county judge showing compliance; or

(5) through self-insurance under Section 601.124, including a copy of the certificate of self-insurance issued by the Department of Public Safety.

(g) Not later than the 30th day after the verification date, the owner to whom the notice is sent shall furnish the requested information to the Texas Department of Transportation in the form prescribed by that department, accompanied by the owner's signed affirmation that the information is true and correct.

(h) If the owner responds to the request for information by asserting that the owner had, as of the verification date, established financial responsibility in accordance with a method authorized by Section 601.051(a), the Texas Department of

Transportation may conduct a verification investigation as provided by Section 601.503.

Sec. 601.503. VERIFICATION INVESTIGATION. (a) To verify a response received from an owner under Section 601.502, the Texas Department of Transportation or an agent of that department may furnish necessary information to the insurer, surety, or officer named in the response. Not later than the 30th day after the date of receipt of the information, the insurer, surety, or officer shall inform the Texas Department of Transportation whether, as of the verification date, financial responsibility had been established for the affected motor vehicle in accordance with Section 601.051(a). An insurer that does not comply with this subsection is subject to an administrative penalty under Chapter 84, Insurance Code.

(b) If the response received from an owner under Section 601.502 states that financial responsibility has been established through self-insurance, the Texas Department of Transportation shall examine the records of the Department of Public Safety to verify that a certificate of self-insurance has been issued in accordance with Section 601.124.

Sec. 601.504. CIVIL PENALTY; WARNING NOTICE. (a) If an owner responds under Section 601.502 that the owner has not established financial responsibility or the owner fails to respond in a timely manner, or if the Texas Department of Transportation otherwise determines that an owner has registered or maintained the registration of a motor vehicle without establishing financial responsibility in accordance with Section 601.051(a):

(1) the owner is liable to the state for a civil penalty of \$100; and

(2) the Texas Department of Transportation shall mail to the owner a warning stating that:

(A) the owner has 30 days after the date the warning is sent to provide the evidence of financial responsibility; and

(B) if the owner does not timely comply with Paragraph (A), the registration of the motor vehicle will be terminated.

(b) If an owner of a motor vehicle has not provided evidence of financial responsibility to the Texas Department of Transportation within the 30 days after the date the warning is sent, the Texas Department of Transportation shall terminate the registration for the motor vehicle.

(c) Each notice or warning sent under this section must include, in English and Spanish, a clear and reasonably complete statement of an owner's rights and responsibilities under this chapter.

(d) From the civil penalties collected under this chapter, the Texas Department of Transportation shall recover its costs in implementing and administering the verification program under this subchapter. The Texas Department of Transportation shall deposit any amounts collected that exceed the administrative costs of that department under this subchapter to the credit of the general revenue fund.

Sec. 601.505. REGISTRATION OF MOTOR VEHICLE FOR WHICH REGISTRATION TERMINATED. (a) Except as provided by Subsections (b), (c), and (d), a motor vehicle for which registration is terminated under Section 601.504(b) may not be registered unless the owner submits with the application for registration:

(1) the \$100 civil penalty provided by Section 601.504(a), if the civil penalty has not been previously paid; and

(2) the registration fee applicable to the vehicle and any other fee required by law for registration of the vehicle.

(b) The Texas Department of Transportation shall reinstate the terminated registration of a motor vehicle without payment of any fee under Subsection (a)(2) if before the end of the registration period during which the registration was terminated the owner of the motor vehicle presents evidence of financial responsibility that:

(1) complies with Section 601.051(a); and

(2) was in effect on the verification date and is in effect on the date of application for reinstatement.

(c) Notwithstanding the terms of this subchapter:

(1) no lien attaches to a vehicle as a result of a violation of this subchapter;

(2) a person is not liable for a fine or penalty levied under this section or Section 601.504 if the person did not own the vehicle at the time the fine or penalty was levied; and

(3) neither a tax assessor-collector nor the Texas Department of Transportation may refuse to register a vehicle on the ground that a prior owner of the vehicle violated this subchapter.

(d) The provisions of Subsection (c) are not available to:

(1) a person who received title to the vehicle as a gift from the prior owner; or

(2) a person who received title to the vehicle from a family member, unless the Texas Department of Transportation is satisfied that the transfer is in good faith and not to defeat the purpose of this subchapter.

Sec. 601.506. DISPLAY OF FALSE PROOF OF FINANCIAL RESPONSIBILITY; OFFENSE. (a) A person commits an offense if the person provides evidence of financial responsibility to a peace officer, as defined by Article 2.12, Code of Criminal Procedure, court, or officer of the court knowing that financial responsibility has not been established as required under Section 601.051(a) or that the evidence of financial responsibility is illegally altered, counterfeit, or otherwise invalid.

(b) If a peace officer issues a citation to a motor vehicle operator for displaying invalid evidence of financial responsibility, the officer shall confiscate the invalid evidence of financial responsibility for presentation in court.

(c) An offense under this section is punishable by a fine of not less than \$250 or more than \$450.

Sec. 601.507. USE OF AGENTS. The Texas Department of Transportation may submit requests for proposals for contracts with private vendors to perform the random sampling and the verification investigations required under this subchapter as an agent of that department. The Texas Department of Transportation may enter into contracts as necessary to implement the use of agents.

Sec. 601.508. SEASONAL EXCEPTION FOR CERTAIN FARM VEHICLES. (a) In this section, "road tractor," "truck-tractor," "farm tractor," "farm trailer," and "farm semitrailer" have the meanings

assigned by Section 502.001.

(b) During a season when the vehicle is not in use, Section 601.051 does not apply to a road tractor, truck-tractor, farm tractor, farm trailer, or farm semitrailer used exclusively to transport seasonally harvested agricultural products or livestock from the place of production to the place of processing, market, or storage.

(c) The designated agent may send a notice under Section 601.444 to the owner of a vehicle to which this section applies only during a season when the vehicle is in use.

(d) The department by rule shall provide a method of determining the season when a vehicle to which this section applies is in use.

SECTION 1.02. Section 502.104, Transportation Code, is amended to read as follows:

Sec. 502.104. DISPOSITION OF CERTAIN SPECIAL FEES. Each Monday a county assessor-collector shall send to the department an amount equal to collections for the preceding week for:

(1) each transfer fee collected under Section 502.175; and

(2) each fee collected under Section 502.169(b), 502.1715, or 502.279.

SECTION 1.03. Subchapter D, Chapter 502, Transportation Code, is amended by adding Section 502.1715 to read as follows:

Sec. 502.1715. ADDITIONAL FEE FOR MOTOR VEHICLE FINANCIAL RESPONSIBILITY VERIFICATION PROGRAM. (a) In addition to other fees imposed for registration of a motor vehicle, at the time of application for registration or renewal of registration of a motor vehicle for which the owner is required to submit evidence of financial responsibility under Section 502.153, the applicant shall pay a fee of \$1.

(b) Fees collected under this section shall be deposited to the credit of the state highway fund. Subject to appropriation, the money may be used by the department, the Texas Department of Insurance, and the Texas Department of Transportation to carry out Subchapters N and O, Chapter 601.

(c) The department and the Texas Department of Insurance

shall adopt rules and develop forms necessary to administer this section.

SECTION 1.04. Section 601.051, Transportation Code, is amended to read as follows:

Sec. 601.051. REQUIREMENT OF FINANCIAL RESPONSIBILITY. (a) A person may not operate a motor vehicle in this state unless financial responsibility is established for that vehicle through:

- (1) a motor vehicle liability insurance policy that complies with Subchapter D;
- (2) a surety bond filed under Section 601.121;
- (3) a deposit under Section 601.122;
- (4) a deposit under Section 601.123; or
- (5) self-insurance under Section 601.124.

(b) An owner of a motor vehicle may not permit another person to operate the motor vehicle in this state unless financial responsibility is established for that vehicle and evidenced through a method described by Subsection (a).

SECTION 1.05. Section 601.191, Transportation Code, is amended to read as follows:

Sec. 601.191. OPERATION OF MOTOR VEHICLE IN VIOLATION OF FINANCIAL RESPONSIBILITY REQUIREMENTS [~~MOTOR VEHICLE LIABILITY INSURANCE REQUIREMENT~~]; OFFENSE. (a) A person commits an offense if the person operates a motor vehicle or permits another person to operate a motor vehicle in violation of Section 601.051.

(b) Except as provided by Subsection [~~Subsections (c) and~~ (d)], an offense under this section is a misdemeanor punishable by a fine of not less than \$200 [~~\$175~~] or more than \$400 [~~\$350~~].

(c) It is a defense to prosecution under this section that the person charged with an offense produces in court satisfactory evidence that, at the time of the alleged offense, the owner or operator had established financial responsibility in accordance with Section 601.051(a). [~~If a person has been previously convicted of an offense under this section, an offense under this section is a misdemeanor punishable by a fine of not less than \$350 or more than \$1,000.~~]

(d) If the court determines that a person who has not been previously convicted of an offense under this section is

economically unable to pay the fine, the court may reduce the fine to less than \$200 [~~\$175~~].

SECTION 1.06. Section 601.195, Transportation Code, is amended by adding Subsection (c) to read as follows:

(c) It is a defense to prosecution under this section that the person charged with an offense produces in court satisfactory evidence that, at the time of the alleged offense, the owner or operator had established financial responsibility in accordance with Subchapter F or K, as applicable.

ARTICLE 14. UNINSURED AND UNDERINSURED  
MOTORIST COVERAGE

SECTION 2.01. Article 5.06-1, Insurance Code, is amended to read as follows:

Art. 5.06-1. UNINSURED OR UNDERINSURED MOTORIST COVERAGE.

(a) [(1)] No automobile liability insurance, [~~(including insurance issued through the Texas Automobile Insurance Plan Association [pursuant to an Assigned Risk Plan established under authority of Section 35 of the Texas Motor Vehicle Safety-Responsibility Act])~~], covering liability arising out of the ownership, maintenance, or use of any motor vehicle shall be delivered or issued for delivery in this state unless coverage is provided therein or supplemental thereto, [~~in at least the limits described in the Texas Motor Vehicle Safety-Responsibility Act,~~] under provisions prescribed by the commissioner [~~Board~~], for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured or underinsured motor vehicles because of bodily injury, sickness, or disease, including death, or property damage resulting therefrom. The coverages required under this Article shall not be applicable where any insured named in the policy shall reject the coverage in writing; provided that unless the named insured thereafter requests such coverage in writing, such coverage need not be provided in or supplemental to a renewal policy where the named insured has rejected the coverage in connection with a policy previously issued to the named insured [~~him~~] by the same insurer or by an affiliated insurer.

(b) [(2)] For the purpose of these coverages:

(1) "Exemplary damages" has the meaning assigned by Section 41.001, Civil Practice and Remedies Code.

(2) "Noneconomic damages" means damages other than compensatory damages for pecuniary loss. The term includes damages for physical pain and mental anguish, loss of consortium, disfigurement, physical impairment, or loss of companionship and society. The term does not include exemplary damages.

(3) "Uninsured [~~(a) the term "uninsured]~~ motor vehicle" shall, subject to the terms and conditions of such coverage, be deemed to include an insured motor vehicle where the liability insurer thereof is unable to make payment with respect to the legal liability of its insured within the limits specified therein because of insolvency.

(4) "Underinsured [~~(b) The term "underinsured]~~ motor vehicle" means an insured motor vehicle on which there is valid and collectible liability insurance coverage with limits of liability for the owner or operator which were originally lower than, or have been reduced by payment of claims arising from the same accident to, an amount less than the limit of liability stated in the underinsured coverage of the insured's policy.

(c) The commissioner [~~Board~~] may, in the policy forms adopted under Article 5.06 of this code, define "uninsured motor vehicle" to exclude certain motor vehicles whose operators are in fact uninsured.

(d) The portion of a policy form adopted under Article 5.06 of this code to provide coverage under this article shall include provisions that, regardless of the number of persons insured, policies or bonds applicable, vehicles involved, or claims made, the total aggregate limit of liability to any one person who sustains bodily injury or property damage as the result of any one occurrence shall not exceed the limit of liability for these coverages as stated in the policy and the total aggregate limit of liability to all claimants, if more than one, shall not exceed the total limit of liability per occurrence as stated in the policy; and shall provide for the exclusion of the recovery of damages for bodily injury or property damage or both resulting from the intentional acts of the insured. The portion of a policy form

adopted under Article 5.06 of this code to provide coverage under this article shall require that in order for the insured to recover under the uninsured motorist coverages where the owner or operator of any motor vehicle which causes bodily injury or property damage to the insured is unknown, actual physical contact must have occurred between the motor vehicle owned or operated by such unknown person and the person or property of the insured.

(e) Except as provided by Subsection (f) of this article, the [(3) The] limits of liability for bodily injury, sickness, or disease, including death, shall be offered to the insured in amounts not less than those prescribed in Chapter 601, Transportation Code, [the Texas Motor Vehicle Safety-Responsibility Act] and such higher available limits as may be desired by the insured, but not greater than the limits of liability specified in the bodily injury liability provisions of the insured's policy.

(f) The named insured may elect to waive coverage under this article for recovery of noneconomic and exemplary damages resulting from bodily injury, sickness, or disease, including death. If an insured elects to waive coverage under this subsection, Subsection (e) of this article does not apply to the limits of liability that are applicable to the coverage provided under the policy issued to the insured for damages resulting from bodily injury, sickness, or disease, including death. The commissioner by rule may adopt minimum limits of liability applicable to those damages. Waiver of coverage under this subsection does not affect the insured's right to bring an action for noneconomic and exemplary damages against a responsible party. A written rejection of coverage for noneconomic and exemplary damages is not effective unless the insurer provides the insured with a written notice, acknowledged in writing by the insured at the time of the rejection, disclosing the amount of potential coverage that is available, the types of damages that would be covered, and the amount of premium saved because the coverage is rejected.

(g) [(4)(a)] Coverage for property damage shall be offered to the insured in amounts not less than those prescribed in Chapter 601, Transportation Code, [the Texas Motor Vehicle

~~Safety-Responsibility Act]~~ and such higher available limits as may be desired by the insured, but not greater than limits of liability specified in the property damage liability provisions of the insured's policy, subject to a deductible amount of \$250.

(h) [~~(b)~~] If the insured has collision coverage and uninsured or underinsured property damage liability coverage, the insured may recover under the policy coverage chosen by the insured. In the event neither coverage is sufficient alone to cover all damage resulting from a single occurrence, the insured may recover under both coverages. When recovering under both coverages, the insured shall designate one coverage as the primary coverage and pay the deductible applicable to that coverage. The primary coverage must be exhausted before any recovery is made under the secondary coverage. If both coverages are utilized in the payment of damages from a single occurrence, the insured shall not be required to pay the deductible applicable to the secondary coverage when the amount of the deductible otherwise applicable to the secondary coverage is the same as or less than the amount of the deductible applicable to the primary coverage. If both coverages are utilized in the payment of damages from a single occurrence and the amount of the deductible otherwise applicable to the secondary coverage is greater than the amount of the deductible applicable to the primary coverage, the insured shall be required to pay in respect of the secondary coverage only the difference between the amount of the two deductibles. In no event shall the insured recover under both coverages more than the actual damages suffered.

(i) [~~(5)~~] The underinsured motorist coverage shall provide for payment to the insured of all sums which the insured [~~he~~] shall be legally entitled to recover as damages from owners or operators of underinsured motor vehicles because of bodily injury or property damage in an amount up to the limit specified in the policy, reduced by the amount recovered or recoverable from the insurer of the underinsured motor vehicle. If the named insured has waived coverage under Subsection (f) of this article for recovery of noneconomic and exemplary damages, the amount paid to the insured may not include any amount attributable to noneconomic and exemplary damages.

(j) [~~(6)~~] In the event of payment to any person under any coverage required by this article [~~Section~~] and subject to the terms and conditions of such coverage, the insurer making such payment shall, to the extent thereof, be entitled to the proceeds of any settlement or judgment resulting from the exercise of any rights of recovery of such person against any person or organization legally responsible for the bodily injury, sickness or disease, or death for which such payment is made, including the proceeds recoverable from the assets of the insolvent insurer; provided, however, whenever an insurer shall make payment under a policy of insurance issued pursuant to this article [~~Act~~], which payment is occasioned by the insolvency of an insurer, the insured of said insolvent insurer shall be given credit in any judgment obtained against the insured [~~him~~], with respect to the insured's [~~his~~] legal liability for such damages, to the extent of such payment, but, subject to Section 12 of Article 21.28-C of this code, such paying insurer shall have the right to proceed directly against the insolvent insurer or its receiver, and in pursuance of such right such paying insurer shall possess any rights which the insured of the insolvent company might otherwise have had if the insured of the insolvent insurer had made the payment.

(k) [~~(7)~~] If a dispute exists as to whether a motor vehicle is uninsured, the burden of proof as to that issue shall be upon the insurer.

(l) [~~(8)~~] Notwithstanding Section 15.032, Civil Practice and Remedies Code, an action against an insurer in relation to the coverage provided under this article, including an action to enforce that coverage, may be brought only:

(1) [~~(a)~~] in the county in which the policyholder or beneficiary instituting the suit resided at the time of the accident; or

(2) [~~(b)~~] in the county in which the accident involving the uninsured or underinsured motor vehicle occurred.

#### ARTICLE 15. PROOF OF INSURANCE CARDS

SECTION 3.01. Subchapter A, Chapter 5, Insurance Code, is amended by adding Article 5.06-7 to read as follows:

#### Art. 5.06-7. FORM AND APPEARANCE OF PROOF OF MOTOR VEHICLE

LIABILITY INSURANCE. (a) The commissioner shall prescribe by rule a standard appearance and form for a card issued by an insurer as proof of motor vehicle liability insurance prescribed by Section 601.081, Transportation Code.

(b) In prescribing the appearance of a proof of motor vehicle liability insurance card under Subsection (a) of this article, the commissioner shall require an appearance that is:

- (1) difficult to alter, duplicate, or counterfeit; and
- (2) not cost-prohibitive for consumers.

ARTICLE 16. EFFECTIVE DATE

SECTION 4.01. This Act takes effect September 1, 2003.