

By: Goolsby, Crabb

H.B. No. 310

A BILL TO BE ENTITLED

AN ACT

relating to the transfer of registration and removal of license plates for the sale or transfer of used vehicles.

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

SECTION 1. Section 502.180(b), Transportation Code, is amended to read as follows:

(b) Subject to Subchapter I, the ~~[The]~~ department shall issue only one license plate or set of plates for a vehicle during a five-year period.

SECTION 2. Chapter 502, Transportation Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. REGISTRATION TRANSFER AND REMOVAL OF LICENSE PLATES
FOR THE SALE OR TRANSFER OF USED VEHICLES

Sec. 502.451. TRANSFER OF VEHICLE REGISTRATION AND REMOVAL OF LICENSE PLATES. (a) On the sale or transfer of a motor vehicle, the seller or transferor may remove each license plate and the registration insignia issued for the motor vehicle.

(b) A license plate removed from a motor vehicle under Subsection (a) must be:

(1) disposed of in the manner specified by the department; or

(2) transferred to another vehicle owned by the seller or transferor as provided by Section 502.453.

(c) The part of the registration period remaining at the

1 time of the sale or transfer shall continue with the vehicle being
2 sold or transferred and does not transfer with the license plates or
3 registration validation insignia. To continue the remainder of the
4 registration period, the purchaser or transferee must file the
5 documents required under Section 520.031.

6 Sec. 502.452. REGISTRATION OF VEHICLE WITH JOINT OWNERS.
7 Notwithstanding Section 502.451, if a motor vehicle is registered
8 in the names of two or more persons, the license plates and
9 registration insignia are not required to be removed on the change
10 of ownership of the vehicle if any of the resultant owners is a
11 person named in the registration records of the department as an
12 owner of the vehicle at the time of its sale or transfer.

13 Sec. 502.453. TRANSFER OF REMOVED PLATES. (a) A person may
14 use license plates removed from a vehicle under Section 502.451 on
15 another motor vehicle that is titled in the person's name after the
16 person:

17 (1) obtains:

18 (A) the department's approval of an application
19 to transfer the license plates; and

20 (B) a new registration insignia for the motor
21 vehicle; and

22 (2) pays the appropriate fees required under Section
23 502.454.

24 (b) A person may use the license plates removed from a motor
25 vehicle under Section 502.451 on a new motor vehicle purchased from
26 a dealer licensed under Chapter 503 after the person:

27 (1) obtains the department's approval of a title and

1 registration application; and

2 (2) pays the applicable title and vehicle registration
3 fees and the transfer fee required under Section 502.454.

4 Sec. 502.454. FEES REQUIRED FOR TRANSFER OF LICENSE PLATE
5 AND REGISTRATION INSIGNIA. The fee for transferring license plates
6 and receiving a new registration insignia under this subchapter
7 from one motor vehicle to another vehicle that is titled in the name
8 of the transferor is \$5.00.

9 Sec. 502.455. TEMPORARY PERMIT FOR A VEHICLE PURCHASED IN A
10 PRIVATE PARTY TRANSACTION. (a) A purchaser or transferee may
11 obtain from the department a temporary single-trip permit to
12 operate a motor vehicle:

13 (1) that is subject to registration in this state;

14 (2) from which the license plates and the registration
15 insignia have been removed as required by Section 502.451; and

16 (3) that is not authorized to travel on a public
17 roadway because the required license plates and the registration
18 insignia are not attached to the vehicle.

19 (b) The department may issue the permit in accordance with
20 this section.

21 (c) A permit issued under this section is valid for one trip
22 between the point of origin and the destination and those
23 intermediate points specified in the permit.

24 (d) A permit issued under this section may not be valid for
25 longer than a five-day period.

26 (e) A person may obtain a permit under this section by
27 applying, on a form provided by the department, to the department.

1 Application may be made using the department's Internet website.

2 (f) A person is eligible to receive only one permit under
3 this section for a motor vehicle.

4 (g) A permit receipt issued under this section must be on a
5 form provided by the department. The receipt must contain the
6 information required by this section and shall be carried in the
7 vehicle at all times during which it is valid.

8 (h) The department may refuse to issue a permit under this
9 section for any vehicle if in the department's opinion the
10 applicant has been involved in operations that constitute an abuse
11 of the privilege granted under this section.

12 Sec. 502.456. APPLICATION OF SUBCHAPTER; TEMPORARY
13 PROVISION. (a) This subchapter applies only to passenger cars and
14 light trucks.

15 (b) To be eligible for transfer under this subchapter,
16 license plates must be appropriate for the class of vehicle to which
17 the plates are being transferred.

18 (c) This section expires August 31, 2011.

19 Sec. 502.457. DEPARTMENT SUPPORT. (a) The department may
20 enter into a system design contract to determine the feasibility
21 and benefits of an electronic registration and title system to
22 facilitate the registration and titling of motor vehicles under
23 this subchapter.

24 (b) Subsection (a) may not be construed to authorize the
25 department to implement a system or enter into a contract for the
26 implementation of a system that affects the issuance of temporary
27 license tags under Chapter 503.

1 SECTION 3. Section 520.021, Transportation Code, is
2 repealed.

3 SECTION 4. This Act takes effect January 1, 2008.