

By: Goolsby, Crabb (Senate Sponsor - Carona) H.B. No. 310
(In the Senate - Received from the House April 10, 2007;
April 11, 2007, read first time and referred to Committee on
Transportation and Homeland Security; April 24, 2007, reported
favorably by the following vote: Yeas 6, Nays 0; April 24, 2007,
sent to printer.)

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

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

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

(1) obtains:

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

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

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

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

(1) obtains the department's approval of a title and
registration application; and

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

Sec. 502.454. FEES REQUIRED FOR TRANSFER OF LICENSE PLATE
AND REGISTRATION INSIGNIA. The fee for transferring license plates
and receiving a new registration insignia under this subchapter

from one motor vehicle to another vehicle that is titled in the name of the transferor is \$5.00.

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

- (1) that is subject to registration in this state;
- (2) from which the license plates and the registration insignia have been removed as required by Section 502.451; and
- (3) that is not authorized to travel on a public roadway because the required license plates and the registration insignia are not attached to the vehicle.

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

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

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

(e) A person may obtain a permit under this section by applying, on a form provided by the department, to the department. Application may be made using the department's Internet website.

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

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

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

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

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

(c) This section expires August 31, 2011.

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

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

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

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

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