Amend CSHB 2730 by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Sec. 708.151, Transportation Code, is amended as follows:

NOTICE OF SURCHARGE. <u>(a)</u> The department shall <u>send notices</u> <u>as required by Subsection (b) to</u> [notify] the holder of a driver's license <u>when</u> [of the assessment of] a surcharge <u>is assessed</u> on that license. <u>Each notice must:</u>

(1) be sent by first class mail [sent] to the person's most recent address as shown on the records of the department or to the person's most recent forwarding address on record with the United States Postal Service if it is different;

(2)[. The notice must] specify the date by which the surcharge must be paid;

(3) state the total dollar amount of the surcharge which must be paid, the number of monthly payments required under an installment payment plan, and the minimum monthly payment required for a person to enter and maintain an installment payment plan with the department; and

(4) state the consequences of a failure to pay the surcharge.

(b) The department shall send a first notice not later than the fifth day after the date the surcharge is assessed. Any notice under this section shall also include a conspicuous notice regarding the ability of a person to qualify as indigent under Section 708.158 Transportation Code, the procedures to establish with the Department their indigent status so that they may qualify for the reduced surcharges as set forth in 708.158 Transportation Code.

(c) Once a person is recognized as an indigent under 708.158 Transportation Code , the department shall send a new notification to that person which accurately reflects the reduced surcharges owed.

(d) If on or before the 45th day after the date the first notice was sent the person fails to pay the amount of the surcharge or fails to enter into an installment payment agreement with the department, the department shall send a second notice. If on or before the 60th day after the date the second notice was sent the person fails to pay the amount of the surcharge or fails to enter into an installment payment agreement with the department, the department shall send a third notice which advises the person that his/her driving privileges are suspended.

SECTION ____. Section 708.152(a), Transportation Code, is amended to read as follows:

(a) If <u>on</u> the <u>60th</u> day after the date the department sends a <u>second</u> notice under Section 708.151 the person fails to pay the amount of a surcharge on the person's license or fails to enter into an installment payment agreement with the department, the license of the person is automatically suspended. <u>The person's license may not be suspended under this section before the 105th day after the surcharge was assed by the Department.</u>

SECTION ____. Section 708.153(b), Transportation Code, is amended to read as follows:

(b) A rule under this section:

(1) may not <u>require</u> [permit] a person to pay a surcharge over a period of <u>less</u> [more] than 36 consecutive months <u>for surcharges in the amount of \$500 or more; may not require a</u> <u>person to pay a surcharge over a period of less than 24 consecutive</u> <u>months for surcharges \$250 to \$499; and may not require a person to</u> <u>pay a surcharge over a period of less than 12 consecutive months for</u> <u>surcharges of \$249 or less; and</u>

(2) may provide that if the person fails to make [a] <u>any</u> required monthly installment payment, the department may reestablish the installment plan <u>upon receipt of a payment in the</u> <u>amount at least equal to a required monthly installment payment.</u> [or declare the amount of the unpaid surcharge immediately due and payable.]

SECTION ____. Subchapter D, Chapter 708, Transportation Code, is amended by adding Section 708.158 to read as follows:

Sec. 708.158. INDIGENT STATUS AND REDUCTION OF SURCHARGES. (a) The department shall waive 75 percent of all surcharges assessed under Chapter 708 of the Transportation Code for a person meeting the criteria set forth in Subsections (b) and (c) hereof. (b) The department shall waive 80 percent of all surcharges against a person who is indigent. For the purposes of this subsection, a person is indigent if:

(1) the person provides evidence described by Subsection (c) to the department; or

(2) the person is a full-time student taking twelve or more credit hours who:

(A) is enrolled in an accredited public, private, or independent institution of higher education; and

(B) provides evidence described by Subsection (d) to the department.

(c) A person must provide the following information to the department that the person's income or the person's household income does not exceed 125 percent of the applicable income level established by the federal poverty guidelines, the following documentation may be used as such proof:

(1) a copy of the person's most recent federal income tax return; or

(2) a copy of the person's most recent statement of wages; or

(3) documentation from a federal agency, state agency, or school district that indicates that the person or, if the person is a dependent as defined by Section 152 of Internal Revenue Code, the taxpayer claiming the person as a dependent, receives assistance from:

(A) the food stamp program or the financial assistance program established under Chapter 31, Human Resources Code;

(B) the federal special supplemental nutrition program for women, infants, and children authorized by 42 U.S.C. Section 1786;

(C) the medical assistance program under Chapter 32, Human Resources Code;

(D) the child health plan program under Chapter 62, Health and Safety Code; or

(E) the national free or reduced-price lunch program established under 42 U.S.C. Section 1751 et seq.