

BILL ANALYSIS

Senate Research Center
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S.B. 626
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Department of Transportation (TxDOT) has historically been an agency whose main function has been to build roads. However, over time, other divisions have been created within TxDOT that are primarily customer service related and vehicle related. These divisions include the Motor Carrier Division (MCD), the Automobile and Burglary Theft Prevention Division (ABTPA), the Motor Vehicle Division (MVD), and the Vehicle Titles and Registration Division (VTR). Maintaining these divisions under the TxDOT umbrella does not allow TxDOT to focus on its core mission of financing and building Texas's transportation infrastructure.

As proposed, S.B. 626 consolidates current TxDOT divisions with customer service related and vehicle-related components into a separate agency. Specifically, S.B. 626 moves the MVD, the ABTPA, the MCD, and the VTR divisions out of TxDOT and creates a new agency, the Texas Department of Vehicles. The Texas Department of Vehicles would be governed by an executive director and a nine member board appointed by the governor with the advice and consent of the senate. S.B. 626 provides that the board would consist of two members representing the interests of motor vehicle dealers, one member representing the interests of motor vehicle manufacturers, one member representing tax assessor-collectors, one member representing the motor carrier industry, one member representing law enforcement agencies, and three members representing the interests of the general public.

RULEMAKING AUTHORITY

Rulemaking authority is expressly prohibited in SECTION 1 (Section 1002.002, Transportation Code), of this bill.

Rulemaking authority is expressly granted to the Texas Department of Vehicles (department) in SECTION 1 (Sections 1002.001, 1002.003, 1003.002, and 1003.003, Transportation Code), of this bill.

Rulemaking authority is expressly granted to the board of the department in SECTION 1 (Sections 1002.001, 1002.003, 1003.002, and 1003.003, Transportation Code), of this bill.

Rulemaking authority previously granted to the Texas Department of Transportation is transferred to the department in SECTION 2H.01 (Section 551.302, Transportation Code), of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. 01. Amends Title 7, Transportation Code, by adding Subtitle M, as follows:

SUBTITLE M. DEPARTMENT OF VEHICLES

CHAPTER 1001. ORGANIZATION OF DEPARTMENT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1001.001. DEFINITIONS. Defines "board" and "department."

Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) Creates the Department of Vehicles (department) as an agency of this state.

(b) Requires the department, in addition to the other duties required of the department, to administer and enforce Subtitle A; Chapters 642, 643, 645, 646, and 648; Chapter 2301 (Sale or lease of Motor Vehicles), Occupations Code; and Article 4413(37) (Automobile Theft Prevention Authority), Revised Statutes.

Sec. 1001.003. COMPOSITION OF DEPARTMENT. Provides that the department is composed of an executive director appointed by the board of the department (board) and other employees required to efficiently implement this subtitle, other applicable vehicle laws of this state, and other laws that grant jurisdiction to or are applicable to the department.

Sec. 1001.004. DIVISIONS. Requires the board to organize the department into divisions to accomplish the department's functions and the duties assigned to it, including divisions for administration, automobile burglary and theft prevention, motor carriers, motor vehicle board, and vehicle titles and registration.

Sec. 1001.005. SUNSET PROVISION. Provides that the department is subject to Chapter 325 (Texas Sunset Act), Government Code. Provides that the department, unless continued in existence as provided by that chapter, is abolished September 1, 2021.

Sec. 1001.006. DEFENSE BY ATTORNEY GENERAL. Requires the attorney general to defend an action brought against the board or the department or an action brought against an employee of the department as a result of the employee's official act or omission, regardless of whether at the time of the institution of the action that person has terminated service with the department.

[Reserves Sections 1001.007-1001.020 for expansion.]

SUBCHAPTER B. BOARD OF DEPARTMENT OF VEHICLES

Sec. 1001.021. BOARD. (a) Provides that the board consists of nine members appointed by the governor with the advice and consent of the senate.

(b) Requires that two members be appointed to represent motor vehicle dealers; one member be appointed to represent motor vehicle manufacturers; one member be appointed to represent county tax assessor-collectors; one member be appointed to represent the motor carrier industry; one member be appointed to represent law enforcement agencies; and three members be appointed to represent the general public. Prohibits the member appointed to represent law enforcement agencies from being a state employee.

(c) Provides that a person is not eligible for appointment as a member of the board if the person or the person's spouse is employed by or participates in the management of a business entity or other organization that is regulated by or receives funds from the department; directly or indirectly owns or controls more than 10 percent interest in a business entity or other organization that is regulated by or receives funds from the department; uses or receives a substantial amount of tangible goods, services, or funds from the department, other than compensation or reimbursement authorized by law for board membership, attendance, or expenses; or is registered, certified, or licensed by the department.

(d) Prohibits a person required to register as a lobbyist under Chapter 305 (Registration of Lobbyists), Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the department from serving as a member of the board.

(e) Requires that appointments to the board be made without regard to race, color, disability, sex, religion, age, or national origin of the appointees and reflect the diversity of the population of the state as a whole.

Sec. 1001.022. TERMS. Establishes six-year staggered terms for members of the board, with the terms of either one or two members expiring February 1 of each odd-numbered year.

Sec. 1001.023. CHAIR OF BOARD. (a) Requires the governor to periodically designate one board member as the chair of the board, who is required to serve as the presiding officer of the board.

(b) Requires the chair to preside over board meetings, make rulings on motions and points of order, and determine the order of business; represent the department in dealing with the governor; report to the governor on the state of affairs of the department at least quarterly; report to the board the governor's suggestions for department operations; report to the governor on efforts, including legislative requirements, to maximize the efficiency of department operations through the use of private enterprise; periodically review the department's organizational structure and submit recommendations for structural changes to the governor, the board, and the Legislative Budget Board (LBB); designate one or more employees of the department as a civil rights division of the department and receive regular reports from the division on the department's efforts to comply with civil rights legislation and administrative rules; create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole; appoint a member of the board to act in the chair's absence; and serve as the departmental liaison with the governor and the Office of State-Federal Relations to maximize federal funding for transportation.

Sec. 1001.024. BOARD MEETINGS. Requires the board to hold regular meetings at least once a month and special meetings at the call of the chair. Requires board members to attend the meetings of the board. Requires the chair to oversee the preparation of an agenda for each meeting and ensure that a copy is provided to each board member at least seven days prior to the meeting.

Sec. 1001.025. RECOMMENDATIONS TO LEGISLATURE. (a) Requires the board to consider ways in which the department's operations can be improved. Authorizes the board to periodically report to the legislature concerning potential statutory changes that would improve the operation of the department.

(b) Requires the chair, on behalf of the board, to report to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of relevant legislative committees on legislative recommendations adopted by the board and relating to the operation of the department.

Sec. 1001.026. COMPENSATION. Entitles a member of the board to compensation as provided by the General Appropriations Act. Entitles each member, if compensation for board members is not provided by that Act, to reimbursement for actual and necessary expenses incurred in performing functions as a member of the board.

Sec. 1001.027. GROUNDS FOR REMOVAL. (a) Provides that it is a ground for removal from the board if a board member does not have at the time of appointment or maintain during service on the board the qualifications required by Section 1001.021; violates a prohibition provided by Section 1001.021; cannot discharge the member's duties for a substantial part of the term for which the member is appointed because of illness or disability; or is absent from more than half of the regularly scheduled board meetings that the board member is eligible to attend during a calendar year, unless the absence is excused by majority vote of the board.

(b) Provides that the validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a board member exists.

(c) Requires the executive director of the department, if the executive director knows that a potential ground for removal exists, to notify the chair of the board of the ground, and the chair to notify the governor and the attorney general that a

potential ground for removal exists. Requires the director, if the potential ground for removal relates to the chair, to notify another board member, who shall notify the governor and the attorney general that a potential ground for removal exists.

Sec. 1001.028. INFORMATION ON QUALIFICATIONS AND CONDUCT. Requires the department to provide to the members of the board, as often as necessary, information regarding the members' qualifications for office and their responsibilities under applicable laws relating to standards of conduct for state officers.

Sec. 1001.029. TRAINING ON DEPARTMENT AND CERTAIN LAWS RELATING TO DEPARTMENT. (a) Requires a person appointed to the board, to be eligible to take office as a member of the board, to complete at least one course of a training program that complies with this section.

(b) Requires that the training program provide information to the person regarding this subchapter; the programs operated by the department; the role and functions of the department; the rules of the department with an emphasis on the rules that relate to disciplinary and investigatory authority; the current budget for the department; the results of the most recent formal audit of the department; the requirements of the open meetings law, Chapter 551 (Open Meetings), Government Code; open records law, Chapter 552 (Public Information), Government Code; administrative procedure law, Chapter 2001 (Administrative Procedure), Government Code; the requirements of the conflict of interest laws and other laws relating to public officials; and any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) Entitles a person appointed to the board to reimbursement for travel expenses incurred in attending the training program, as provided by the General Appropriations Act and as if the person were a member of the board.

Sec. 1001.030. ADVISORY COMMITTEES. (a) Requires the board to establish an advisory committee for each department division to make recommendations to the board or executive director on the operation of the applicable division. Provides that a committee has the purposes, powers, and duties, including the manner of reporting its work, prescribed by the board. Provides that a committee and each member serves at the will of the board.

(b) Requires the board to appoint persons to each advisory committee who are selected from a list provided by the executive director and have knowledge about and interests in, and represent a broad range of viewpoints about, the work of the committee or the applicable division.

(c) Prohibits a member of an advisory committee from being compensated by the board or the department for committee service but entitles the member to reimbursement for actual or necessary expenses incurred in the performance of committee service.

[Reserves Sections 1001.031-1001.040 for expansion.]

SUBCHAPTER C. PERSONNEL

Sec. 1001.041. DEPARTMENT PERSONNEL. (a) Requires the executive director, subject to the General Appropriations Act or other law, to appoint deputies, assistants, and other personnel as necessary to carry out the powers and duties of the department under this code, other applicable vehicle laws of this state, and other laws granting jurisdiction or applicable to the department.

(b) Requires a person appointed under this section to have the professional and administrative experience necessary to qualify the person for the position to which the person is appointed.

Sec. 1001.042. DIVISION OF RESPONSIBILITIES. Requires the executive director to develop and implement policies that clearly define the respective responsibilities of the director and the staff of the department.

Sec. 1001.043. EQUAL EMPLOYMENT OPPORTUNITY POLICY; REPORT. (a) Requires the executive director or the director's designee to prepare and maintain a written policy statement to ensure implementation of a program of equal employment opportunity under which all personnel transactions are made without regard to race, color, disability, sex, religion, age, or national origin. Requires the policy statement to include certain criteria.

(b) Requires that a policy statement prepared under this section cover an annual period, be updated annually, be reviewed by the Commission on Human Rights for compliance with Subsection (a), and be filed by the governor.

(c) Requires the governor to deliver a biennial report to the legislature based on the information received under Subsection (b). Authorizes the report to be made separately or as part of other biennial reports made to the legislature.

Sec. 1001.044. QUALIFICATIONS AND STANDARDS OF CONDUCT. Requires the executive director to provide to department employees, as often as necessary, information regarding their qualification for office or employment under this subtitle and responsibilities under applicable laws relating to standards of conduct for state employees.

Sec. 1001.045. CAREER LADDER PROGRAM; PERFORMANCE EVALUATIONS. (a) Requires the executive director or the director's designee to develop an intra-agency career ladder program. Requires that the program require intra-agency posting of all non-entry level positions concurrently with any public posting.

(b) Requires the executive director or the director's designee to develop a system of annual performance evaluations. Requires that all merit pay for department employees be based on the system established under this subsection.

CHAPTER 1002. RULES

Sec. 1002.001. GENERAL RULEMAKING AUTHORITY. Authorizes the board or the department to adopt any rules necessary and appropriate to implement the powers and duties of the department under this code and other laws of this state.

Sec. 1002.002. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. Prohibits the board or department from adopting rules restricting advertising or competitive bidding by a person regulated by the department except to prohibit false, misleading, or deceptive practices by the person.

Sec. 1002.003. INTERIM RULES TO COMPLY WITH FEDERAL REQUIREMENTS. (a) Authorizes the board or department to adopt rules to implement state responsibility in compliance with a federal law or regulation or action of a federal court relating to a person or activity under the jurisdiction of the department if federal law or regulation, or action of a federal court requires a state to adopt the rules, or action by a state to ensure protection of the citizens of the state; the rules will avoid federal preemption of an activity under the jurisdiction of the department; or the rules will prevent the loss of federal funds to the state.

(b) Authorizes the board or the department to adopt rules under this section only if the federal action requiring the adoption of a rule occurs or takes effect between sessions of the legislature or at such time during the session of a legislature that sufficient time does not remain to permit the preparation of a recommendation for legislative action or permit the legislature to act. Requires that a rule adopted under this section remain in effect only until 30 days following the end of the next session of the legislature unless a law is enacted that authorizes the subject matter

of the rule. Provides that if a law is enacted that authorizes the subject matter of the rule, the rule will continue in effect.

CHAPTER 1003. DEPARTMENT PROCEDURES

Sec. 1003.001. **APPLICABILITY OF CERTAIN LAWS.** Provides that, except as specifically provided by law, the department is subject to Chapters 2001 (Administrative Procedure) and 2002 (Texas Register and Administrative Code), Government Code.

Sec. 1003.002. **SUMMARY PROCEDURES FOR ROUTINE MATTERS.** (a) Authorizes the board or department by rule to create a summary procedure for routine matters and designate department activities that otherwise would be subject to Chapter 2001, Government Code, as routine matters to be handled under the summary procedure.

(b) Authorizes that an activity be designated as a routine matter only if the activity is voluminous, repetitive, believed to be noncontroversial, and of limited interest to anyone other than persons immediately involved in or affected by the proposed department action.

(c) Authorizes the rules to establish procedures different from those contained in Chapter 2001, Government Code. Requires that the procedures require, for each party involved, notice of a proposed negative action not later than the fifth day before the date the action is proposed to be taken.

(d) Authorizes that a rule adopted by the board under this section provide for the delegation of authority to take action on a routine matter to a salaried employee of the department designated by the board.

Sec. 1003.003. **REVIEW OF ACTION ON ROUTINE MATTER.** (a) Entitles a person directly or indirectly affected by an action of the board or the department on a routine matter taken under the summary procedure adopted under Section 1003.002 to a review of the action under Chapter 2001, Government Code.

(b) Requires the person to apply to the board not later than the 60th day after the date of the action to be entitled to the review.

(c) Provides that the timely filing of the application for review immediately stays the action pending a hearing on the merits.

(d) Authorizes the board and department to adopt rules relating to an application for review under this section and consideration of the application.

Sec. 1003.004. **INFORMAL DISPOSITION OF CERTAIN CONTESTED CASES.** Authorizes the board or department, as applicable, on written agreement or stipulation of each party and any intervenor, to informally dispose of a contested case in accordance with Section 2001.056 (Informal Disposition of Contested Case), Government Code, notwithstanding any provision of this code or other law that requires a hearing before the board or the department, as applicable.

Sec. 1003.005. **NEWSPAPER PUBLICATION.** Requires that, except as otherwise provided by law, a notice or other matter that this code or other law requires the board or department to publish be published for three successive weeks in two newspapers that are printed in this state and have a general circulation in this state.

CHAPTER 1004. GENERAL SUBPOENA POWERS; WITNESSES AND PRODUCTION OF RECORDS

Sec. 1004.001. **DEFINITION.** Defines " records."

Sec. 1004.002. **SUBPOENA AUTHORITY.** (a) Authorizes the board or department, with respect to a matter that the board or the department has authority to consider or

investigate, to issue a subpoena applicable throughout this state that requires the attendance and testimony of a witness and the production of records.

(b) Authorizes the board or the department, in connection with a subpoena, to require attendance and production of records before the board or the board's designee at the department's office in Austin or at another place designated by the board or the department.

(c) Authorizes the board chair or the board's designee, in connection with a subpoena, to administer an oath, examine a witness, or receive evidence.

Sec. 1004.003. SERVICE OF SUBPOENA. (a) Authorizes a subpoena issued by the board or the department to be served, at the discretion of the board or department, by the executive director, an authorized agent of the director, a sheriff, or a constable.

(b) Provides that the sheriff's or constable's fee for serving the subpoena is the same as the fee paid to the sheriff or constable for similar services.

Sec. 1004.004. ENFORCEMENT OF SUBPOENA. (a) Authorizes a district court, on application of the board or the department, as applicable, in the case of disobedience of a subpoena issued by the board or the department or the contumacy of a person, to issue an order requiring a person subpoenaed to obey the subpoena, to give evidence, or to produce records if the person has refused to do so.

(b) Authorizes a court to punish as contempt the failure to obey a court order under Subsection (a).

(c) Authorizes the board or the department, if a court orders compliance with a subpoena or finds a person in contempt for failure to obey the order, as applicable, or the attorney general when representing the department, to recover reasonable costs and fees, including attorney's fees and investigative costs incurred in the proceedings.

(d) Requires that an application under Subsection (a) be made in a district court in Travis County or in the county in which the subpoena is served.

Sec. 1004.005. COMPENSATION FOR ATTENDANCE. Entitles a person required by subpoena to attend a proceeding before the board, the board's designee, or the department to reimbursement for mileage in the same amount for each mile as the mileage travel allowance for a state employee for traveling to and from the place where the person's attendance is required, if the place is more than 25 miles from the person's place of residence and a fee for each day or part of a day the person is required to be present as a witness that is equal to the greater of \$10 or a state employee's per diem travel allowance.

Sec. 1004.006. OUT-OF-STATE MATERIALS. (a) Authorizes a person with materials located outside this state that are requested by the board or the department to make them available for examination at the place where the materials are located.

(b) Authorizes the board to designate a representative, including an official of the state in which the materials are located, to examine the materials.

(c) Authorizes the board to respond to a similar request from an official of another state or of the United States.

Sec. 1004.007. ACCESS TO INFORMATION. (a) Provides that a record or other evidence acquired under a subpoena under this chapter is not a public record for the period the board or the department, as applicable, considers reasonably necessary to complete the investigation, protect the person being investigated from unwarranted injury, or serve the public interest.

(b) Provides that the record or other evidence is not subject to a subpoena, other than a grand jury subpoena, until the record or other evidence is released for public inspection by the board or the department; or after notice and a hearing, a district court determines that obeying the subpoena would not jeopardize the public interest and any investigation by the board or the department.

(c) Prohibits a district court order under Subsection (b), except for good cause, from applying to a record or communication received from a law enforcement agency or another regulatory agency, or the internal notes, memoranda, reports, or communication made in connection with a matter that the board or the department has the authority to consider or investigate.

Sec. 1004.008. PRIVILEGED AND CONFIDENTIAL RECORDS AND INFORMATION; PROTECTIVE ORDERS. (a) Provides that a record subpoenaed and produced under this chapter that is otherwise privileged or confidential by law remains privileged or confidential until admitted into evidence in an administrative hearing or a court.

(b) Authorizes the board to issue a protective order relating to the confidentiality or privilege of a record described by Subsection (a) to restrict the use or distribution of the record by a person, or in a proceeding other than a proceeding before the board or the department.

Sec. 1004.009. COOPERATION WITH LAW ENFORCEMENT. Authorizes the board or the department, on request, to furnish records or other evidence obtained by subpoena to a law enforcement agency of this state, another state or the United States, or a prosecuting attorney of a municipality, county, or judicial district of this state, or the United States.

Sec. 1004.010. EFFECT ON CONTESTED CASE. Provides that Sections 1004.002, 1004.006, 1004.007, and 1004.009 do not affect the conduct of a contested case under Chapter 2001, Government Code.

CHAPTER 1005. JUDICIAL REVIEW

Sec. 1005.001. ACTION SUBJECT TO JUDICIAL REVIEW. Provides that an action of the board or the department subject to judicial review under this chapter includes a decision, order, rate, rule, form, or administrative or other ruling of the board.

Sec. 1005.002. PETITION FOR JUDICIAL REVIEW. (a) Authorizes any party who is dissatisfied with an action of the board or the department, after failing to get relief from the board, to file a petition for judicial review against the board or department, as applicable, as defendant.

(b) Requires that the petition state the particular objection to the action and provides that the petition is authorized to be filed only in a district court in Travis County.

Sec. 1005.003. JUDICIAL REVIEW. Provides that judicial review of the action is under the substantial evidence rule and requires the judicial review to be conducted under Chapter 2001, Government Code.

Sec. 1005.004. ACTION NOT VACATED. (a) Provides that the filing of a petition for a judicial review of an action under this chapter does not vacate the action.

(b) Authorizes the court, after notice and hearing, to vacate the action if the court finds it would serve the interest of justice to do so.

Sec. 1005.005. APPEAL. (a) Authorizes a party under Section 1005.002 to appeal to an appellate court that has jurisdiction, and provides that the appeal is at once returnable to that court.

(b) Provides that an appeal under this section has precedence in the appellate court over any cause of a different character pending in the court.

(c) Provides that the board or the department is not required to give an appeal bond in an appeal arising under this chapter.

CHAPTER 1006. PUBLIC ACCESS

Sec. 1006.001. ACCESS TO PROGRAMS AND FACILITIES. (a) Requires the department to prepare and maintain a written plan that describes how a person who does not speak English may be provided reasonable access to the department's programs.

(b) Requires the department to comply with federal and state laws for program and facility accessibility.

Sec. 1006.002. PUBLIC COMMENT. Requires the board and the department to develop and implement policies that provide the public with a reasonable opportunity to appear before the board or the department and to speak on any issue under the jurisdiction of the board or the department.

Sec. 1006.003. PUBLIC REPRESENTATION ON ADVISORY BODY. (a) Requires that at least one-half of the membership of each advisory body appointed by the board, other than an advisory body whose membership is determined by this code or by other law, represent the general public.

(b) Prohibits a public representative from being an officer, director, or employee of a business entity regulated by the department; a person required to register with the Texas Ethics Commission under Chapter 305, Government Code; or a person related within the second degree by affinity or consanguinity to a person described by this subsection.

CHAPTER 1007. STANDARDS OF CONDUCT

Sec. 1007.001. APPLICATION OF LAW RELATING TO ETHICAL CONDUCT. Provides that the board, executive director, and each employee or agent of the department is subject to the code of ethics and the standard of conduct imposed by Chapter 572 (Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest), Government Code, and any other law regulating the ethical conduct of state officers and employees.

Sec. 1007.002. CERTAIN BUSINESS INTERESTS; SERVICE AS COMMISSIONER. Provides that a person is not eligible for appointment as executive director if the person, the person's spouse, or any other person who resides in the same household as the person is registered, certified, or licensed by the department; is employed by or participates in the management of a business entity or other organization regulated by or receiving funds from the department; owns or controls, directly or indirectly, more than a 10 percent interest in a business entity or other organization regulated by or receiving funds from the department; or uses or receives a substantial amount of tangible goods, services, or funds from the department, other than compensation or reimbursement authorized by law.

Sec. 1007.003. CERTAIN BUSINESS INTERESTS; EMPLOYEES. (a) Prohibits a person who is a director, officer, attorney, agent, or employee of an occupation or business entity regulated by the department from being employed by the department.

(b) Prohibits a person who resides in the same household as a person who is an officer, managerial employee, or paid consultant in an occupation or business entity regulated by the department from being employed in an exempt salary position as defined by the General Appropriations Act.

Sec. 1007.004. TRADE ASSOCIATIONS. (a) Prohibits a person who is an officer, employee, or paid consultant of a trade association of motor vehicle dealers from being the executive director or an employee of the department who is exempt from the state's position classification plan or is compensated at or above the amount prescribed by the General Appropriations Act for step 1, salary group A17, of the position classification salary schedule.

(b) Prohibits a person who is the spouse of an officer, manager, or paid consultant of a trade association of motor vehicle dealers from being the executive director or an employee of the department who is exempt from the state's position classification plan or is compensated at or above the amount prescribed by the General Appropriations Act for step 1, salary group A17, of the position classification salary schedule.

(c) Defines "trade association."

Sec. 1007.005. LOBBYING ACTIVITIES. Prohibits a person from serving as the executive director or acting as the general counsel to the department if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of an occupation related to the operation of the department.

Sec. 1007.006. PROHIBITED REPRESENTATION. (a) Provides that a person who served as the executive director, the general counsel to the department, or an employee of the State Office of Administrative Hearings (SOAH) who was involved in hearing cases under this code or another vehicle law of this state commits an offense if the person represents another person in a matter before the board or the department or receives compensation for services performed on behalf of another person regarding a matter pending before the board or the department during the one-year period after the date the person ceased to be the director, the general counsel to the department, or an employee of SOAH.

(b) Provides that a person who served as a member of the Texas Transportation Commission or as an employee of the Texas Department of Transportation, or who served as the executive director, the general counsel to the department, or an employee of the department or SOAH, commits an offense if, after the person ceased to serve, the person represents another person or receives compensation for services performed on behalf of another person regarding a manner in which the person was directly concerned during the person's service. Provides that for the purposes of this subsection, a person was directly concerned with a matter if the person had personal involvement with the matter or if the matter was within the scope of the person's official responsibility.

(c) Provides that an offense under this section is a Class A misdemeanor.

(d) Provides that this section does not apply to a department employee whose position is eliminated as a direct result of a reduction in the department's workforce.

ARTICLE 2. TRANSFER OF DUTIES AND FUNCTIONS OF THE TEXAS DEPARTMENT OF TRANSPORTATION

PART A. GENERAL PROVISIONS AND ADMINISTRATION

SECTION 2A.01. Amends Section 201.202(a), Transportation Code, to delete existing text requiring Texas Transportation Commission (TTC) to create the division of motor vehicle titles and registration to accomplish the Texas Department of Transportation's (TxDOT) functions and duties.

SECTION 2A.02. Amends Section 201.931(2), Transportation Code, to delete existing text from the definition of "license" relating to specially designated or specialized license plates issued

under Subchapters E and F, Chapter 502 (Registration of Vehicles), Transportation Code, and an apportioned registration issued according to the International Registration Plan under Section 502.054 (Agreements With Other Jurisdictions; Offense), Transportation Code.

SECTION 2A.03. Repealer: Sections 201.202(c) (relating to preference for similar experience when appointing personnel) and 201.805, Chapter 1407 (S.B. 766) (Accident Reports), Acts of the 80th Legislature, Regular Session, 2007.

PART B. STATE HIGHWAY TOLL PROJECTS

SECTION 2B.01. Amends Sections 228.055(b) and (h), Transportation Code, regarding vehicle registration records from the department rather than TxDOT, and makes conforming changes.

SECTION 2B.02. Amends Section 228.056(b), Transportation Code, by making a conforming change.

PART C. CAUSEWAYS, BRIDGES, TUNNELS, TURNPIKES, FERRIES, AND HIGHWAYS IN CERTAIN COUNTIES

SECTION 2C.01. Amends Sections 284.0701(b), (e), and (h), Transportation Code, to change references to TxDOT to the department.

PART D. CERTIFICATE OF TITLE ACT

SECTION 2D.01. Amends Section 501.002(3), Transportation Code, to redefine "department" to mean the Department of Vehicles, rather than TxDOT.

PART E. REGISTRATION OF VEHICLES

SECTION 2E.01. Amends Section 502.001, Transportation Code, to redefine "department" to mean the Department of Vehicles, rather than TxDOT and to make conforming changes.

SECTION 2E.02. Amends Sections 502.053(a) and (b), Transportation Code, to redefine "department" to mean the Department of Vehicles, rather than TxDOT.

PART F. DEALER'S AND MANUFACTURER'S VEHICLE LICENSE PLATES

SECTION 2F.01. Amends Sections 503.001(2) and (5), Transportation Code, to redefine "commission" to mean the board of the Department of Vehicles rather than TTC and "department" to mean the Department of Vehicles, rather than TxDOT.

PART G. MISCELLANEOUS PROVISIONS

SECTION 2G.01. Amends Section 520.001, Transportation Code, to redefine "department" as the Department of Vehicles, rather than TxDOT.

PART H. OPERATION OF BICYCLES, MOPEDS, AND PLAY VEHICLES

SECTION 2H.01. Amends Section 551.302, Transportation Code, to transfer rulemaking authority relating to the registration and issuance of license plates to neighborhood electric vehicles from TxDOT to the department.

PART I. MOTOR VEHICLE SAFETY RESPONSIBILITY ACT

SECTION 2I.01. Amends Section 601.023, Transportation Code, to change references to TxDOT to the department.

SECTION 2I.02. Amends Section 601.451, Transportation Code, to redefine "implementing agencies."

SECTION 2I.03. Repealer: Subchapter N (Database Interface System to Verify Financial Responsibility), Chapter 601 (Motor Vehicle Safety Responsibility Act), Transportation Code, as added by Chapter 1325 (H.B. 3588), Acts of the 78th Legislature, Regular Session, 2003.

PART J. IDENTIFYING MARKINGS ON CERTAIN COMMERCIAL MOTOR VEHICLES

SECTION 2J.01. Amends Section 642.002(d), Transportation Code, to make a conforming change.

PART K. MOTOR CARRIER REGISTRATION

SECTION 2K.01. Amends Section 643.001(1), Transportation Code, to redefine "department" to mean the Department of Vehicles, rather than TxDOT.

PART L. SINGLE STATE REGISTRATION

SECTION 2L.01. Amends Section 645.001, Transportation Code, to authorize the department, rather than TxDOT, to the fullest extent practicable, to participate in a federal motor carrier registration program under the unified carrier registration system as defined by Section 643.001 or a single state registration system established under federal law, rather than the single state registration system established under 49 U.S.C. Section 14504.

PART M. MOTOR TRANSPORTATION BROKERS

SECTION 2M.01. Amends Section 646.003(a), Transportation Code, to make a conforming change.

PART N. FOREIGN COMMERCIAL MOTOR TRANSPORTATION

SECTION 2N.01. Amends Section 648.002, Transportation Code, to make a conforming change.

PART O. ABANDONED MOTOR VEHICLES

SECTION 2O.01. Amends Section 683.001(1), Transportation Code, to redefine "department" to mean the Department of Vehicles, rather than TxDOT.

PART P. CONTRACTS FOR ENFORCEMENT OF CERTAIN ARREST WARRANTS

SECTION 2P.01. Amends Section 702.001(1), Transportation Code, to redefine "department" to mean the Department of Vehicles rather than TxDOT.

PART Q. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEM

SECTION 2Q.01. Amends Section 707.001(2), Transportation Code, to redefine "owner of a motor vehicle."

SECTION 2Q.02. Amends Section 707.011(b), Transportation Code, to make conforming changes.

SECTION 2Q.03. Amends Section 707.017, Transportation Code, to make a conforming change.

PART R. SALE OR LEASE OF MOTOR VEHICLES

SECTION 2R.01. Amends Section 2301.002(9), Occupations Code, to redefine "department" as the Department of Vehicles rather than TxDOT.

SECTION 2R.02. Repealer: Section 2301.002(33) (relating to defining transportation commission), Occupations Code.

PART S. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

SECTION 2S.01. Amends Section 1(3), Article 4413(37), V.T.C.S., to redefine "department" to mean the Department of Vehicles rather than TxDOT.

SECTION 2S.02. Amends Section 2, Article 4413(37), V.T.C.S., to provide that the Automobile Burglary and Theft Prevention Authority is a division in the Department of Vehicles, rather than TxDOT. Deletes existing text providing that the authority is not an advisory body to TxDOT.

SECTION 2S.03. Repealer: Sections 6(d) (relating to requiring the authority to report on its activities) and (i) (relating to requiring the authority to submit an annual written report), Article 4413(37) (Automobile Theft Prevention Authority), V.T.C.S.

ARTICLE 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF TRANSPORTATION IN OTHER CODES

PART A. BUSINESS AND COMMERCE CODE

SECTION 3A.01. Amends Section 51.003(b), Business and Commerce Code, as effective April 1, 2009, to replace TxDOT with the Department of Vehicles.

SECTION 3A.02. Amends Section 105.004(b), Business and Commerce Code, as effective April 1, 2009, to make a conforming change.

PART B. CODE OF CRIMINAL PROCEDURE

SECTION 3B.01. Amends Section 1(1), Article 42.22, Code of Criminal Procedure, to define "department" as the Department of Vehicles rather than TxDOT.

SECTION 3B.02. Amends Article 59.04(c), Code of Criminal Procedure, to make conforming changes.

PART C. FAMILY CODE

SECTION 3C.01. Amends Section 157.316(b), Family Code, to change references to TxDOT to the Department of Vehicles.

SECTION 3C.02. Amends Section 232.0022(a), Family Code, to make a conforming change.

SECTION 3C.03. Amends Section 232.014(b), Family Code, to make a conforming change.

SECTION 3C.04. Amends Section 264.502(b), Family Code, to make a conforming change.

PART D. FINANCE CODE

SECTION 3D.01. Amends Section 306.001(9), Finance Code, to change references to TxDOT to the Department of Vehicles.

SECTION 3D.02. Amends Section 348.001(10-a), Finance Code, to make a conforming change.

SECTION 3D.03. Amends Section 348.518, Finance Code, to make a conforming change.

PART E. GOVERNMENT CODE

SECTION 3E.01. Amends Section 411.122(d), Government Code, to change a reference to the Board of Examiners of Perfusionist to the Texas State Perfusionist Advisory Committee, and adding the Department of Vehicles to the list of agencies subject to this section.

PART F. HEALTH AND SAFETY CODE

SECTION 3F.01. Amends Section 382.209(e), Health and Safety Code, to change references to TxDOT to the Department of Vehicles.

SECTION 3F.02. Amends Section 382.210(f), Health and Safety Code, to make a conforming change.

SECTION 3F.03. Amends Section 461.017(a), Health and Safety Code, to change references to the executive director of the Texas Commission on Alcohol and Drug Abuse (TCADA) to the commissioner of the Department of State Health Services (DSHS); the Department of Protective and Regulatory Services to the Department of Family and Protective Services; the Texas Commission on Alcohol and Drug Abuse to DSHS; the Texas Department of Health and the Texas Department of Human Services to the Texas Health and Human Services Commission; the Texas Department of Mental Health and Mental Retardation to the Department of Aging and Disability Services; the Texas Rehabilitation Commission to the Department of Assistive and Rehabilitative Services; and the Texas Department of Transportation to the Department of Vehicles. Makes nonsubstantive changes.

PART G. HUMAN RESOURCES CODE

SECTION 3G.01. Amends Section 22.041, Human Resources Code, to change references to TxDOT to the Department of Vehicles.

SECTION 3G.02. Amends Section 32.026(g), Human Resources Code, to make a conforming change.

PART H. LOCAL GOVERNMENT CODE

SECTION 3H.01. Amends Section 130.006, Local Government Code, to replace TxDOT with the Department of Vehicles.

SECTION 3H.02. Amends Section 130.007, Local Government Code, to make conforming changes.

SECTION 3H.03. Amends Section 130.008, Local Government Code, to make a conforming change.

SECTION 3H.04. Amends Section 130.009, Local Government Code, to make a conforming change.

PART I. OCCUPATIONS CODE

SECTION 3I.01. Amends Section 554.009(c), Occupations Code, to change references to TxDOT to the Department of Vehicles.

PART J. PENAL CODE

SECTION 3J.01. Amends Section 31.03(c), Penal Code, to replace TxDOT with the Department of Vehicles.

SECTION 3J.02. Amends Section 31.11(b), Penal Code, to provide that it is an affirmative defense to prosecution under this section that the person was acting with respect to a number assigned to a vehicle by TxDOT or the department, as applicable.

PART K. TAX CODE

SECTION 3K.01. Amends Section 21.02, Tax Code, to replace TxDOT with the Department of Vehicles.

SECTION 3K.02. Amends Section 22.04(d), Tax Code, to make conforming changes.

SECTION 3K.03. Amends Sections 23.121(a)(3), (11), and (14), Tax Code, to redefine "dealer," "sales price," and "towable recreational vehicle."

SECTION 3K.04. Amends Sections 23.121(f), (g), and (h), Tax Code, to make nonsubstantive and conforming changes.

SECTION 3K.05. Amends Section 23.123(c), Tax Code, to make nonsubstantive and conforming changes.

SECTION 3K.06. Amends Section 23.124(a)(11), Tax Code, to redefine "sales price."

SECTION 3K.07. Amends Section 113.011, Tax Code, as follows:

Sec. 113.011. New heading: LIENS FILED WITH THE TEXAS DEPARTMENT OF VEHICLES. Requires the comptroller to furnish to the Department of Vehicles, rather than TxDOT, each release of a tax lien filed by the comptroller with that department.

SECTION 3K.08. Amends Sections 152.0412(a) and (f), Tax Code, to make conforming changes.

SECTION 3K.09. Amends Section 152.042, Tax Code, to make a conforming change.

SECTION 3K.10. Amends Section 152.121(b), Tax Code, to make a conforming change.

SECTION 3K.11. Amends Section 162.001(52), Tax Code, to redefine "registered gross weight."

ARTICLE 4. TRANSFERS OF CERTAIN POWERS, DUTIES, OBLIGATIONS, AND RIGHTS OF ACTION

SECTION 4.01. (a) Provides that all powers, duties, obligations, and rights of action of the Motor Carrier Division, the Motor Vehicle Division, and the Vehicle Titles and Registration Division of TxDOT are transferred to the department. Provides that all powers, duties, obligations, and rights of action of TTC in connection or associated with those divisions of TxDOT are transferred to the board on November 1, 2009.

(b) Provides that in connection with the transfers required by Subsection (a) of this section, the personnel, furniture, computers, other property and equipment, files, and related materials used by the Motor Carrier Division, the Motor Vehicle Division, and the Vehicle Title and Registration Division of TxDOT are transferred to the department.

(c) Makes application of this Act prospective to any proceeding involving the Motor Carrier Division, the Motor Vehicle Division, and the Vehicle Title and Registration Division of TxDOT brought before the effective date of this Act.

(d) Provides that a certificate, license, document, permit, registration, or other authorization issued by the Motor Carrier Division, the Motor Vehicle Division, or the Vehicle Titles and Registration Division of TxDOT that is in effect on the effective date of this Act remains valid for the period for which it was issued unless suspended or revoked by the department.

(e) Provides that a rule adopted by the TTC or the director of TxDOT in connection with or relating to the Motor Carrier Division, the Motor Vehicle Division, and the Vehicle Titles and Registration Division of that department remains in effect until it is amended or repealed by the board of the department or the department, as applicable.

(f) Provides that the unobligated and unexpended balance of any appropriations made to TxDOT in connection with or relating to the Motor Carrier Division, the Motor Vehicle Division, and the Vehicle Titles and Registration Division of that department for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the

department for the purpose of implementing the powers, duties, obligations, and rights of action transferred to that department under Subsection (a) of this section.

SECTION 4.02. (a) Provides that all powers, duties, obligations, and rights of action of the Automobile Burglary and Theft Prevention Authority Office (office) of TxDOT under Article 4413(37), Revised Statutes, are transferred to the Automobile Burglary and Theft Prevention Authority Division (division) of the department, and all powers, duties, obligations, and rights of action of TTC in connection or associated with the office are transferred to the board on November 1, 2009.

(b) Provides that, in connection with the transfers required by Subsection (a) of this section, the personnel, furniture, computers, other property and equipment, files, and related materials used by the office are transferred to the division.

(c) Makes application of this Act prospective to any proceeding involving the office that was brought before the effective date of this Act.

(d) Provides that a certificate, license, document, permit, registration, or other authorization issued by the office that is in effect on the effective date of this Act remains valid for the period for which it was issued unless suspended or revoked by the Automobile Burglary and Theft Prevention Authority Division of the department.

(e) Provides that a rule adopted by the office, TTC, or the director of TxDOT in connection with or relating to the office continues in effect until it is amended or repealed by the board of the department or the Automobile Burglary and Theft Prevention Authority Division of the department.

(f) Provides that the unobligated and unexpended balance of any appropriations made to TxDOT in connection with or relating to the office for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the department for the purpose of implementing the powers, duties, obligations, and rights of action transferred to that department under Subsection (a) of this section.

ARTICLE 5. APPOINTMENT OF BOARD

SECTION 5.01. Requires the governor, not later than October 1, 2009, to appoint the members of the board in accordance with Subchapter B, Chapter 1001, Transportation Code, as added by this Act.

ARTICLE 6. EFFECTIVE DATE

SECTION 6.01. Effective date: September 1, 2009.