

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1507
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Transportation & Homeland Security
4/14/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

While motor vehicle statutes were codified in 1995, they have not been updated since 1917 when the Highway Department registered vehicles. As a result, the statutes are outdated in regard to automation and organization. The current statutes also do not allow for the full use of technology.

Currently, sections addressing motor vehicles are scattered throughout the Transportation Code. For example, the statute on titling a vehicle can be found in many different chapters and sections of the Transportation Code. C.S.S.B. 1507 streamlines the motor vehicle statutes by consolidating all the statutes so that there is now a chapter addressing titles, a chapter addressing license plates, a chapter addressing registration of vehicles, and a chapter addressing general administration. It also allows for the use of technology by making more transactions available online.

C.S.S.B. 1507 amends current law relating to motor vehicles.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Transportation (TxDOT) in SECTION 4 (Section 501.0041, Transportation Code), SECTION 30 (Section 501.053, Transportation Code), SECTION 45 (Section 501.1003, Transportation Code), SECTION 69 (Section 501.173, Transportation Code), SECTION 74 (Section 502.0023, Transportation Code), SECTION 80 (Section 502.043, Transportation Code), SECTION 81 (Section 502.044, Transportation Code), SECTION 82 (Section 502.045, Transportation Code), SECTION 87 (Section 502.057, Transportation Code), SECTION 96 (Section 502.094, Transportation Code), and SECTION 214 (Section 520.003, Transportation Code) of this bill.

Rulemaking authority previously granted to TxDOT is rescinded in SECTION 73 (Section 502.0022, Transportation Code), SECTION 89 (Section 502.059), SECTION 95 (Section 502.093, Transportation Code), SECTION 96 (Section 502.094, Transportation Code), and SECTION 97 (Section 502.095, Transportation Code), SECTION 111 (Section 502.194, Transportation Code), and SECTION 228 (Section 520.034, Transportation Code) of this bill.

Rulemaking authority previously granted to TxDOT is modified in SECTION 89 (Section 502.059, Transportation Code), SECTION 96 (Section 502.094, Transportation Code), SECTION 133 (Section 502.359, Transportation Code), SECTION 136 (Section 502.401, Transportation Code), and SECTION 137 (Section 502.402, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the Texas Transportation Commission (TTC) in SECTION 168 (Section 504.0011, Transportation Code) of this bill.

Rulemaking authority previously granted to TTC is rescinded in SECTION 208 (Section 504.851, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 501.002, Transportation Code, as follows:

Sec. 501.002. DEFINITIONS. Redefines "certificate of title," "dealer," "distributor," "first sale," "manufacturer," "motorcycle," "motor vehicle," "new motor vehicle,"

"owner," "subsequent sale," and "title receipt." Defines "commercial fleet," "credit card," "debit card," "purchaser," "record of title," "seller," "travel trailer," and "vehicle identification number." Deletes existing definitions for "house trailer," "importer," "importer's certificate," "manufacturer's permanent vehicle identification number," and "serial number." Makes nonsubstantive changes.

SECTION 2. Amends the heading to Section 501.003, Transportation Code, to read as follows:

Sec. 501.003. PURPOSE.

SECTION 3. Amends Section 501.004(a), Transportation Code, to provide that, except as provided by this section, this chapter applies to all motor vehicles, including a motor vehicle owned by the state or a political subdivision of the state.

SECTION 4. Transfers Section 501.131, Transportation Code, to Subchapter A, Chapter 501, Transportation Code, and renumbers it as Section 501.0041, Transportation Code, and amends it as follows:

Sec. 501.0041. RULES; FORMS. (a) Authorizes the Texas Department of Transportation (TxDOT) to adopt rules to administer this chapter.

(b) Requires TxDOT to post on the Internet or provide each county assessor-collector with a sufficient supply of any necessary forms. Deletes existing text requiring TxDOT to, in addition to the forms required by this chapter, prescribe forms for a title receipt, manufacturer's certificate, and importer's certificate, and other forms TxDOT determines necessary.

SECTION 5. Transfers Section 501.159, Transportation Code, to Subchapter A, Chapter 501, Transportation Code, renumbers it as Section 501.006, and amends it as follows:

Sec. 501.006. New heading: ALIAS TITLE. Authorizes TxDOT, on receipt of a verified, rather than written, request approved by the executive administrator of a law enforcement agency, to issue a title, rather than certificate of title, in the form requested by the executive administrator for a vehicle in an alias for the law enforcement agency's use in a covert criminal investigation.

SECTION 6. Amends Section 501.021, Transportation Code, as follows:

Sec. 501.021. New heading: TITLE FOR MOTOR VEHICLE. (a) Requires a motor vehicle title issued by TxDOT to include, rather than providing that a motor vehicle title is an instrument that includes: the name and address of each purchaser and seller at the first sale or a subsequent sale; the vehicle description; the name and address of each lienholder and the date of each lien on the vehicle, listed in the chronological order in which the lien was recorded; a statement indicating rights of survivorship under Section 501.031; if the vehicle has an odometer, the odometer reading; and any other information required by TxDOT. Deletes existing text providing that a motor vehicle certificate of title is an instrument issued by TxDOT that includes: the name and address of the purchaser and seller at the first sale or the transferee and transferor at a subsequent sale; the make of the motor vehicle; the body type of the vehicle; the manufacturer's permanent vehicle identification number of the vehicle or the vehicle's motor number if the vehicle was manufactured before the date that stamping a permanent identification number on a motor vehicle was universally adopted; the serial number for the vehicle; the number on the vehicle's current Texas license plates, if any; a statement that no lien on the vehicle is recorded; or of the name and address of each lienholder and the date of each lien on the vehicle, listed in the chronological order in which the lien was recorded; a space for the signature of the owner of the vehicle; and if the vehicle has an odometer, the odometer reading indicated by the application for the certificate of title. Makes conforming and nonsubstantive changes.

(b) Sets forth the required language of the statement a printed certificate of title must bear on its face.

SECTION 7. Amends Section 501.022, Transportation Code, as follows:

Sec. 501.022. New heading: MOTOR VEHICLE TITLE REQUIRED. (a) Prohibits the owner of a motor vehicle registered in this state from operating or permitting the operation of the vehicle on a public highway until the owner obtains a title, rather than a certificate of title, for the vehicle or until the owner obtains registration for the vehicle if a receipt evidencing title to the vehicle is issued under Section 501.029(b) or Subchapter I.

(b) Makes a conforming change

(c) Makes a conforming and a nonsubstantive change.

(d) Provides that Subsection (c) does not apply to a motor vehicle operated on a public highway in this state with a metal dealer's license plate or a dealer's or buyer's temporary tag, rather than a cardboard tag, attached to the vehicle as provided by Chapter 503 (Dealer's and Manufacturer's Vehicle License Plates).

SECTION 8. Amends Section 501.023, Transportation Code, as follows:

Sec. 501.023. New heading: APPLICATION FOR TITLE. (a) Requires the owner of a motor vehicle to apply for a title as prescribed by TxDOT to the county assessor-collector in the county in which the owner is domiciled or the motor vehicle is purchased or encumbered. Deletes existing text requiring an owner of a motor vehicle to apply for a certificate of title on a form prescribed by TxDOT. Makes nonsubstantive changes.

(b) Requires the assessor-collector to send the application to TxDOT or enter it into TxDOT's titling system within 72 after receipt of the application, rather than not later than 24 hours after receiving the application.

(c) Authorizes the owner or a lessee of a commercial motor vehicle operating under the International Registration Plan or other agreement described by Section 502.091, rather than 502.054 (Agreements With Other Jurisdictions), that is applying for a title for purposes of registration only may apply, rather than must be made, directly to TxDOT. Requires an applicant for registration under this subsection, notwithstanding Section 501.138(a), to pay the fee imposed by that section, rather than to pay TxDOT the fee imposed by that section. Requires that the fee be distributed to the appropriate county assessor-collector in the manner provided by Section 501.138, rather than requiring TxDOT to send the fee to the appropriate county assessor-collector for distribution. Makes a conforming change.

(d) Requires that applications submitted to TxDOT electronically request the purchaser's choice of county as stated in Subsection (a) as the recipient of all taxes, fees, and other revenue collected as a result of the transaction.

SECTION 9. (a) Amends Section 501.0234(b), Transportation Code, as follows:

(b) Provides that this section does not apply to a motor vehicle purchased by a fleet buyer who utilizes the dealer title application process developed to provide a method to submit title transactions to counties that have approved the persons as full-service deputies under Section 502.114 (Full-Service Deputies). Makes a nonsubstantive change.

(b) Effective date, this section: September 1, 2009.

SECTION 10. Amends Sections 501.0234(a), (b), (d), and (e), Transportation Code, as follows:

(a) Makes a conforming change.

(b) Provides that this section does not apply to a motor vehicle for which the title has been surrendered in exchange for: a salvage vehicle title or salvage record of title issued under this chapter; a nonrepairable vehicle title or nonrepairable record of title issued under this chapter or Subchapter D (Demolition of Abandoned Motor Vehicles), Chapter 683 (Abandoned Motor Vehicles); or an ownership document issued by another state that is comparable to a document described by Paragraph (A) or (B), rather than Paragraphs (A)-(C); with a gross weight in excess of 11,000 pounds; or purchased by a fleet buyer who utilizes the dealer title application process developed to provide a method to submit title transactions to counties that have approved the persons as full-service deputies under Section 502.114. Deletes existing text providing that this section does not apply to a motor vehicle for which the certificate of title has been surrendered in exchange for a certificate of authority issued under Subchapter D, Chapter 683. Makes nonsubstantive changes.

(d) Makes conforming changes.

(e) Requires TxDOT to develop, rather than promulgate, a form or electronic process in which the purchaser of a motor vehicle shall designate the purchaser's choice as set out in Section 501.023 as the recipient of all taxes, fees, and other revenue collected as a result of the transaction, which the tax assessor-collector is authorized by law to retain. Requires a seller to make that form or electronic process available to the purchaser of a vehicle at the time of purchase. Makes a nonsubstantive change.

SECTION 11. Amends Section 501.0235, Transportation Code, as follows:

Sec. 501.0235. New heading: DRIVER'S LICENSE OR PERSONAL IDENTIFICATION CERTIFICATE NUMBER OF TITLE APPLICANT. (a) Requires TxDOT to require an applicant for a title to provide the applicant's driver's license or personal identification certificate number, rather than a social security number, to TxDOT. Makes a conforming change.

(b) Requires that the number be entered in TxDOT's electronic titling system but may not be printed on the title. Deletes existing text requiring TxDOT or the county to enter the applicant's social security number in TxDOT's electronic database, but prohibiting printing of that number on the certificate of title. Deletes existing Subsection (c) providing that this section applies only in a county in which TxDOT's automated registration and title system has been implemented.

SECTION 12. Amends Section 501.024, Transportation Code, as follows:

Sec. 501.024. TITLE RECEIPT. (a) Requires a county assessor-collector who receives an application for a title to issue a title receipt to the applicant containing the information concerning the motor vehicle required for issuance of a title under Section 501.021 or Subchapter I after the requirements of this chapter are met, including the payment of the fees required under Section 501.138; and the information is entered into TxDOT's titling system, rather than issue a title receipt on which is noted information concerning the motor vehicle required for the certificate of title under Section 501.021, including a statement of the existence of each lien as disclosed on the application or a statement that no lien is disclosed. Makes a conforming change.

(b) Requires the assessor-collector, if a lien is not disclosed on the application for a title, to issue a title receipt, rather than mark the title receipt "original" and deliver it, to the applicant. Makes a conforming change.

(c) Requires the assessor-collector, if a lien is disclosed on the application for a title, to issue a duplicate title receipt to the lienholder, rather than duplicate title receipts. Deletes existing text requiring the assessor-collector to mark one receipt "original" and mail or deliver it to the first lienholder disclosed on the application and mark the second receipt "duplicate original" and mail or deliver it to the address of the applicant provided on the application. Makes a conforming change.

(d) Makes a conforming and nonsubstantive change.

SECTION 13. Amends Section 501.025, Transportation Code, as follows:

Sec. 501.025. New heading: MANUFACTURER'S CERTIFICATE REQUIRED ON FIRST SALE. Prohibits a county assessor-collector from issuing a title receipt on the first sale of a motor vehicle unless the applicant for the title provides the application for a title and a manufacturer's certificate in a manner prescribed by TxDOT. Deletes existing text prohibiting a county assessor-collector from issuing a title receipt on the first sale of a motor vehicle unless the applicant for the certificate of title provides to the assessor-collector the application for a certificate of title and a manufacturer's certificate on a form prescribed by TxDOT that is assigned to the applicant by the manufacturer, distributor, or dealer shown on the manufacturer's certificate as the last transferee, and shows the transfer of the vehicle from its manufacturer to the purchaser, whether a distributor, dealer, or owner, and each subsequent transfer from distributor to dealer, dealer to dealer, and dealer to applicant.

SECTION 14. Amends Section 501.027, Transportation Code, as follows:

Sec. 501.027. New heading: ISSUANCE OF TITLE. (a) Requires that on the day that a county assessor-collector issues a title receipt, a copy of the title receipt and all evidence of title is required to be submitted to TxDOT in the period specified in Section 501.023(b). Deletes existing text requiring the assessor-collector on the day that a county assessor-collector issues a title receipt, to mail to TxDOT a copy of the receipt and the evidence of title delivered to the assessor-collector by the applicant.

(b) Requires that the title, not later than the fifth day after the date TxDOT receives an application for a title and TxDOT determines the requirements of this chapter are met, be issued to the first lienholder or to the applicant if a lien is not disclosed on the application or that TxDOT notify the applicant that TxDOT's titling system has established a record of title of the motor vehicle in the applicant's name if a lien is not disclosed. Deletes existing text requiring TxDOT, not later than the fifth day after the date TxDOT receives an application for a certificate of title and TxDOT determines that the requirements of this chapter are met, to issue the certificate of title. Deletes existing text requiring TxDOT, if a lien is not disclosed on the application, to send the certificate by first class mail to the applicant at the address provided on the application. Requires TxDOT, if a lien is disclosed on the application, to notify lienholder that the lien has been perfected, rather than send the certificate by first class mail to the first lienholder as disclosed on the application.

SECTION 15. Amends Section 501.0275, Transportation Code, as follows:

Sec. 501.0275. ISSUANCE OF TITLE FOR UNREGISTERED VEHICLE. (a) Requires TxDOT to issue a title for a motor vehicle that complies with the other requirements, rather than requirements for issuance of a certificate of title, under this chapter except that: the vehicle is not registered for a reason other than a reason provided by Section 501.051(a)(6), rather than 501.051(6); and the applicant does not provide evidence of financial responsibility that complies with Section 502.046, rather than 502.153 (Evidence of Financial Responsibility). Makes a conforming change.

(b) Requires the applicant, on application for a title under this section, to surrender any license plates issued for the motor vehicle if the plates are not being transferred to another vehicle and any registration insignia for validation of those plates to TxDOT. Makes a conforming change.

SECTION 16. Amends Section 501.0276, Transportation Code, as follows:

Sec. 501.0276. New heading: DENIAL OF TITLE RECEIPT, TITLE, OR RECORD OF TITLE FOR FAILURE TO PROVIDE PROOF OF EMISSIONS TESTING. Prohibits a county assessor-collector from issuing a title receipt and TxDOT from issuing a

certificate of title for a vehicle subject to Section 548.3011 (Emissions Test on Resale) unless proof that the vehicle has passed a vehicle emissions test as required by that section, in a manner, rather than form, authorized by that section is presented to the county assessor-collector with the application for a title. Makes a conforming change.

SECTION 17. Amends Section 501.029, Transportation Code, as follows:

Sec. 501.029. New heading: ACCEPTABLE PROOF OF OWNERSHIP. (a) Authorizes a person to use TxDOT's record of title, a registration receipt issued under Chapter 502 (Registration of Vehicles), or a title receipt to evidence ownership of, rather than title to, a motor vehicle but not to transfer an interest in or establish a lien on the vehicle. Makes a nonsubstantive change.

(b) Makes a conforming change.

SECTION 18. Amends Sections 501.030(b), (d), (e), (f), and (g), Transportation Code, as follows:

(b) Requires the applicant, before a motor vehicle that was not manufactured for sale or distribution in the United States is authorized to be titled in this state, to provide to the assessor-collector a bond release letter, with all attachments, issued by the United States Department of Transportation acknowledging that the statement meets the safety requirements of 19 C.F.R. Section 12.80(e) or provide to the assessor-collector proof, satisfactory to TxDOT, rather than the assessor-collector, that the vehicle was not brought into the United States from outside the country. Makes a nonsubstantive change.

(d) Makes a conforming change.

(e) Makes conforming changes.

(f) Makes a conforming change.

(g) Makes a conforming change.

SECTION 19. Amends Section 501.031, Transportation Code, as follows:

Sec. 501.031. RIGHTS OF SURVIVORSHIP AGREEMENT. (a) Requires TxDOT to include on each title an optional rights of survivorship agreement that provides that if the agreement is between two or more eligible persons, the motor vehicle is held jointly by those persons with the interest of a person who dies to transfer to the surviving person or persons, and provides for the acknowledgment by signature, either electronically or by hand, of the persons. Deletes existing text requiring TxDOT to include on each certificate of title a rights of survivorship agreement form and requiring that the form provide that if the agreement is signed by two or more eligible persons, the motor vehicle is held jointly by those persons with the interest of a person who dies to survive to the surviving person or persons; and provide blanks for the signatures of the persons. Makes a conforming change.

(b) Authorizes the title, if the vehicle is registered in the name of one or more of the persons who acknowledged the agreement, to contain a rights of survivorship agreement acknowledged by all the persons, or remark if a rights of survivorship agreement is on file with TxDOT. Deletes existing text authorizing, if the vehicle is registered in the name of one or more of the persons who signed the agreement, the certificate of title may contain a rights of survivorship agreement signed by all the persons or remark if a rights of survivorship agreement is surrendered with the application for certificate of title or otherwise on file with TxDOT. Makes a conforming change

(c) Authorizes ownership of the vehicle to be transferred only on the death of one of the persons by the surviving person or persons by transferring ownership of the vehicle in the manner otherwise required by law with a copy of the death

certificate of the deceased person. Deletes existing text authorizing ownership of the vehicle to be transferred only on the death of one of the persons by the surviving person or persons by transferring the certificate of title, in the manner otherwise required by law for transfer of ownership of the vehicle, with a copy of the death certificate of the deceased person attached to the certificate of title application.

(d) Authorizes a rights of survivorship agreement under this section to be revoked only if the persons named in the agreement file a joint application for a new title in the name of the person or persons designated in the application. Deletes existing text authorizing a rights of survivorship agreement under this section to be revoked only by surrender of the certificate of title to TxDOT and joint application by the persons who signed the agreement for a new title in the name of the person or persons designated in the application.

(e) Provides that a person is eligible to file, rather than sign, a rights of survivorship agreement under this section if the person: is married and the spouse of the person is the only other party to the agreement; is unmarried and attests to that unmarried status by affidavit; or is married and provides TxDOT with an affidavit from the person's spouse that attests that the person's interest in the vehicle is the person's separate property. Makes conforming changes.

(f) Authorizes TxDOT to develop an optional electronic rights of survivorship agreement for public use. Deletes existing text providing that the seller, if the title is being issued in connection with the sale of the vehicle, is not eligible to sign a rights of survivorship agreement under this section unless the seller is the child, grandchild, parent, grandparent, brother, or sister of each other person signing the agreement. Deletes existing text authorizing a family relationship required by this subsection to be a relationship established by adoption. Deletes existing Subsection (g) requiring TxDOT, if an agreement, other than the agreement provided for in Subsection (a), providing for right of survivorship is signed by two or more persons, to issue a new certificate of title to the surviving person or persons upon application accompanied by a copy of the death certificate of the deceased person and authorizing TxDOT to develop for public use under this subsection an optional rights of survivorship agreement form.

SECTION 20. Amends Section 501.032, Transportation Code, as follows:

Sec. 501.032. New heading: ASSIGNMENT OF VEHICLE IDENTIFICATION NUMBER BY DEPARTMENT. (a) Requires TxDOT, on proper application, to assign a vehicle identification number to a travel trailer, rather than a serial number to a house trailer, a trailer or semitrailer that has a gross vehicle weight that exceeds 4,000 pounds, or an item of equipment, including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment on which a vehicle identification number, rather serial number, was not die-stamped by the manufacturer, or a vehicle identification number die-stamped by the manufacturer has been lost, removed, or obliterated. Makes a conforming change.

(b) Makes conforming changes.

(c) Makes conforming changes.

SECTION 21. Amends Sections 501.033(a), (b), and (d), Transportation Code, as follows:

(a) Authorizes a person determined by a court, rather than by TxDOT or a court, to be the owner of a motor vehicle, a part of a motor vehicle, or an item of equipment including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment to apply to TxDOT for an assigned vehicle identification number that has been removed, altered, or obliterated. Makes a conforming and a nonsubstantive change.

(b) Requires that an application under this section be in a manner prescribed by TxDOT and accompanied by valid evidence of ownership as required by TxDOT, rather than on a form prescribed and furnished by TxDOT and accompanied by the certificate of title for the vehicle or other valid evidence of ownership as required by TxDOT if there is no certificate of title.

(d) Requires that the assigned vehicle identification number be die-stamped or otherwise affixed in the manner designated by TxDOT. Deletes existing text requiring the assigned number to be die-stamped or otherwise affixed to the motor vehicle, part, or item of equipment at the location and in the manner designated by TxDOT.

SECTION 22. Transfers Section 520.011, Transportation Code, to Subchapter B, Chapter 501, Transportation Code, rennumbers it as Section 501.0331, and amends it as follows:

Sec. 501.0331. New heading: MOTOR NUMBER REQUIRED FOR REGISTRATION. Deletes existing subsection designations. Makes no further change to existing text of Subsection (a). Deletes existing Subsection (b) providing that a person commits an offense if the person violates this section and that an offense under this subsection is a misdemeanor punishable by a fine of not less than \$50 and not more than \$100.

SECTION 23. Transfers Section 520.012, Transportation Code, to Subchapter B, Chapter 501, Transportation Code, rennumbers it as Section 501.0332, and amends it as follows:

Sec. 501.0332. New heading: APPLICATION FOR MOTOR NUMBER RECORD. (a) Makes no changes to this subsection.

(b) Requires TxDOT to maintain a record of, rather than a separate register for recording, each motor number assigned by TxDOT that includes the motor number assigned by TxDOT; the name and address of the owner of the motor vehicle; and the make, model, and year of manufacture of the motor vehicle. Makes nonsubstantive changes. Deletes existing Subsection (c) providing that a person who fails to comply with this section commits an offense and that an offense under this subsection is a misdemeanor punishable by a fine of not less than \$10 and not more than \$100.

SECTION 24. Amends Section 501.034, Transportation Code, to make a conforming change.

SECTION 25. Amends Section 501.035, Transportation Code, as follows:

Sec. 501.035. New heading: TITLE FOR FORMER MILITARY VEHICLE. (a) Authorizes TxDOT, notwithstanding any other law, to issue a title for a former military vehicle if all requirements for issuance of a title are met, rather than requiring TxDOT to issue a certificate of title for a former military vehicle that is not registered under the laws of this state if all other requirements for issuance of a certificate of title are met.

(b) Redefines "former military vehicle."

SECTION 26. Amends Section 501.036, Transportation Code, as follows:

Sec. 501.036. New heading: TITLE FOR FARM SEMITRAILER. Makes conforming changes.

SECTION 27. Amends Section 501.051, Transportation Code, as follows:

Sec. 501.051. New heading: GROUNDS FOR REFUSAL TO ISSUE OR FOR REVOCATION OR SUSPENSION OF TITLE (a) Authorizes a title to be refused, canceled, suspended, or revoked by TxDOT, rather than requiring TxDOT to refuse to issue a certificate of title or suspend or revoke a certificate of title, under certain conditions. Makes conforming changes.

(b) Authorizes TxDOT to rescind, cancel, or revoke an application for a title if a notarized affidavit is presented to TxDOT containing a statement that the vehicle involved was a new motor vehicle in the process of a first sale; a statement that the dealer, the applicant, and any lienholder have canceled the sale; a statement that the vehicle was never in the possession of the title applicant or was in the possession of the title applicant; and the signatures of the dealer, the applicant, and any lienholder.

(c) Provides that a rescission, cancellation, or revocation containing the statement authorized under Subsection (b)(3)(B) does not negate the fact that the vehicle has been the subject of a previous retail sale.

SECTION 28. Amends the heading to Section 501.052, Transportation Code, to read as follows:

Sec. 501.052. HEARING ON REFUSAL TO ISSUE OR REVOCATION OR SUSPENSION OF TITLE; APPEAL.

SECTION 29. Amends Sections 501.052(a), (d), and (e), Transportation Code, as follows:

(a) Authorizes by an interested person aggrieved by a refusal, rescission, cancellation, suspension, or revocation under Section 501.051 to apply for a hearing to the county assessor-collector for the county in which the person is a resident, rather than domiciled. Requires the assessor-collector, on the day an assessor-collector receives the application, to notify TxDOT of the date of the hearing.

(d) Makes conforming changes.

(e) Makes a conforming change.

SECTION 30. Amends Section 501.053, Transportation Code, by amending Subsections (a), (b), and (d), and adding Subsection (e), as follows:

(a) Authorizes the person, on the filing of the bond, to obtain a title, rather than authorizing TxDOT to issue the certificate of title.

(b) Requires that the bond be in an amount equal to one and one-half times the value of the vehicle as determined by TxDOT, which may set the value by appraisal if it is unable to determine that value. Makes conforming changes.

(d) Deletes existing text requiring TxDOT to return an expired bond to the person who filed the bond unless TxDOT has been notified of a pending action to recover on the bond.

(e) Authorizes TxDOT by rule to establish a fee to cover the cost of administering this section.

SECTION 31. Amends Section 501.071, Transportation Code, as follows:

Sec. 501.071. SALE OF VEHICLE; TRANSFER OF TITLE. (a) Prohibits a motor vehicle, except as provided in Section 503.039 (Public Motor Vehicle Auctions), from being the subject of a subsequent sale unless the owner designated on the title submits a transfer of ownership of the title, rather than transfers the title at the time of the sale. Makes conforming changes.

(b) Requires that the transfer of the title be in a manner prescribed by TxDOT that certifies the purchaser, rather than signer, is the owner of the vehicle and certifies there are no liens on the vehicle or provides a release of each lien on the vehicle, rather than except as shown on the vehicle certificate of title or as fully described in the statement. Makes conforming changes.

SECTION 32. Amends Section 501.072, Transportation Code, as follows:

Sec. 501.072. ODOMETER DISCLOSURE STATEMENT. (a) Requires the seller of a motor vehicle sold in this state, except as provided by Subsection (b), rather than Subsection (c), to provide to the buyer, in a manner prescribed by TxDOT, a disclosure, rather than a written disclosure, of the vehicle's odometer reading at the time of the sale that complies with federal law. Deletes existing text requiring that the form include space for the signature and printed name of both the seller and buyer. Makes nonsubstantive and conforming changes.

(b) Deletes existing Subsection (b) requiring the owner, when application for a certificate of title is made, record the current odometer reading on the application and requiring the written disclosure required by Subsection (a) to accompany the application. Redesignates existing Subsection (c) as Subsection (b). Provides that an odometer disclosure statement is not required for the sale of a motor vehicle that has a gross vehicle weight rating of more than 18,000 pounds, rather than a manufacturer's rated carrying capacity of more than two tons.

SECTION 33. Transfers Section 520.022, Transportation Code, to Subchapter D, Chapter 501, Transportation Code, rennumbers it as Section 501.0721, Transportation Code, and amends it as follows:

Sec. 501.0721. New heading: DELIVERY OF RECEIPT AND TITLE TO PURCHASER. Deletes existing subsection designations. Requires a person, whether acting for that person or another, who sells, trades, or otherwise transfers a used motor vehicle to deliver to the purchaser, rather than transferee, at the time of delivery of the vehicle, a properly assigned title or other evidence of title as required under this chapter, rather than Chapter 501 (Certificate of Title Act). Deletes existing text requiring that at the time of delivery of the vehicle the license receipt issued by TxDOT for registration of the vehicle, if the vehicle was required to be registered at the time of the delivery. Deletes existing Subsection (b) providing that a person commits an offense if the person violates this section and that an offense under this subsection is a misdemeanor punishable by a fine not to exceed \$200.

SECTION 34. Amends Sections 501.074(a), (b), and (c), Transportation Code, as follows:

(a) Requires TxDOT to issue a new title for a motor vehicle registered in this state for which the ownership is transferred by operation of law, rather than by operation of law including by inheritance, devise or bequest, bankruptcy, receivership, judicial sale. or other involuntary divestiture of ownership after receiving certain documentation law. Makes conforming changes.

(b) and (c) Makes a conforming change.

SECTION 35. Amends Section 501.091, Transportation Code, by amending Subdivisions (2), (3), (6), (7), (8), (9), (10), (11), (12), (14), (15), (16), (17), (18), and (19), and adding Subdivisions (10-a) and (16-a), to redefine "casual sale," "damage," "major component part," "metal recycler," "motor vehicle," "nonrepairable motor vehicle," "nonrepairable vehicle title," "out-of-state buyer," "out-of-state ownership document," "rebuilder," "salvage motor vehicle," "salvage vehicle title," "salvage vehicle dealer," "self-insured motor vehicle," and "used part" and to define "nonrepairable record of title" and "salvage record of title."

SECTION 36. Rennumbers Section 501.098, Transportation Code, as Section 501.09111, Transportation Code, and amends it as follows:

Sec. 501.09111. New heading: RIGHTS AND LIMITATIONS OF NONREPAIRABLE VEHICLE TITLE, NONREPAIRABLE RECORD OF TITLE, SALVAGE VEHICLE TITLE, OR SALVAGE RECORD OF TITLE. (a) Provides that a person who owns a nonrepairable motor vehicle, rather than holds a nonrepairable vehicle title for a motor vehicle, is entitled to possess, transport, dismantle, scrap, destroy, record a lien as provided for in Section 501.097(a)(3)(A), and sell, transfer, or release ownership of the motor vehicle or a used part from the motor vehicle; and may not operate or permit the

operation of the motor vehicle on a public highway, in addition to any other requirement of law; repair, rebuild, or reconstruct the motor vehicle; or register the motor vehicle.

(b) Entitles a person who holds a nonrepairable certificate of title issued prior to September 1, 2003, to the same rights listed in Subsection (a) and to repair, rebuild, or reconstruct the motor vehicle. Deletes existing text authorizing the person to possess, transport, dismantle, scrap, or destroy the motor vehicle; and sell, transfer, or release ownership of the vehicle or a used part from the motor vehicle; and prohibiting the operation or permitting the operation of the motor vehicle on a public highway, in addition to any other requirement of law; or register the motor vehicle.

(c) Entitles a person who owns a salvage motor vehicle, rather than who holds a salvage vehicle title for a motor vehicle, to possess, transport, dismantle, scrap, destroy, repair, rebuild, reconstruct, record a lien on, and sell, transfer, or release ownership of the motor vehicle or a used part from the motor vehicle and prohibits the person from operating, registering, or permitting the operation of the motor vehicle on a public highway, in addition to any other requirement of law.

SECTION 37. Renumbers Section 501.103, Transportation Code, as Section 501.09112, and amends it as follows:

Sec. 501.09112. New heading: APPEARANCE OF NONREPAIRABLE VEHICLE TITLE OR SALVAGE VEHICLE TITLE. (a) Provides that TxDOT's printed nonrepairable vehicle title must clearly indicate that it is the negotiable ownership document for a nonrepairable motor vehicle; may not be issued a regular title registered in this state or repaired, rebuilt, or reconstructed; and may be used only as a source for used parts or scrap metal. Deletes existing text requiring TxDOT to print a nonrepairable vehicle title in a color that distinguishes it from a regular certificate of title or salvage vehicle title and so that it clearly shows that it is the negotiable ownership document for a nonrepairable motor vehicle. Deletes existing Subsection (b) requiring that a nonrepairable vehicle certificate state on its face certain information. Makes conforming and nonsubstantive changes.

(b) Redesignates Subsection (c) as Subsection (b). Requires TxDOT's printed salvage vehicle title to clearly show that it is the ownership document for a salvage motor vehicle. Deletes existing text requiring TxDOT to print a salvage vehicle title clearly in a color that distinguishes it from a regular certificate of title or nonrepairable vehicle title and so that each document clearly show shows that it is the ownership document for a salvage motor vehicle.

(c) Redesignates Subsection (d) as Subsection (c). Requires that a salvage vehicle title or a salvage record of title for a vehicle that is a salvage motor vehicle because of damage caused exclusively by flood bear a notation, rather than bear a notation on its face, that TxDOT considers appropriate.

(d) Requires that an electronic application for a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title clearly advise the applicant of the same provisions required on a printed title.

(e) Requires that nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title in TxDOT's electronic database include appropriate remarks so that the vehicle record clearly shows the status of the vehicle. Deletes existing text authorizing TxDOT to provide a stamp to a person who is a licensed salvage vehicle dealer under Chapter 2302 (Salvage Vehicle Dealers), Occupations Code, to mark the face of a title under this subchapter and requiring TxDOT to provide the stamp to the person for a fee in the amount determined by TxDOT to be necessary for TxDOT to recover the cost of providing the stamp.

SECTION 38. Renumbers Section 501.101, Transportation Code, as Section 501.09113, and amends it as follows:

Sec. 501.09113. New heading: OUT-OF-STATE SALVAGE OR REBUILT SALVAGE VEHICLE. (a) Makes a conforming change.

(b) Makes a conforming change. Deletes existing Subsection (c) requiring a certificate of title issued under this section to show on its face: the date of issuance; the name and address of the owner; any registration number assigned to the motor vehicle; and a description of the motor vehicle or other notation TxDOT considers necessary or appropriate.

SECTION 39. Amends the heading to Section 501.095, Transportation Code, to read as follows:

Sec. 501.095. SALE, TRANSFER, OR RELEASE.

SECTION 40. Amends Sections 501.095(a) and (b), Transportation Code, as follows:

(a) Authorizes a business or governmental entity described by Subdivisions (1)-(3), if TxDOT has not issued a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title for the motor vehicle and a comparable out-of-state ownership document for the motor vehicle has not been issued by another state or jurisdiction, to sell, transfer, or release a nonrepairable motor vehicle or salvage motor vehicle only to a person who is: a licensed salvage vehicle dealer or metal recycler under Chapter 2302, Occupations Code; an insurance company that has paid a claim on the nonrepairable or salvage motor vehicle; or a governmental entity. Deletes existing text to include an out-of-state buyer.

(b) Requires an owner, rather than a person, other than a salvage vehicle dealer or an insurance company licensed to do business in this state, who acquired ownership of a nonrepairable or salvage motor vehicle that has not been issued a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, salvage record of title, or a comparable ownership document issued by another state or jurisdiction, before selling the motor vehicle, to surrender the properly assigned title for the motor vehicle to TxDOT and apply to TxDOT for the appropriate ownership document. Deletes existing text to include a nonrepairable vehicle title if the vehicle is a nonrepairable motor vehicle or a salvage vehicle title if the vehicle is a salvage motor vehicle. Makes a conforming change.

SECTION 41. Amends Section 501.097, Transportation Code, by amending Subsections (a) and (c), and adding Subsection (c-1), as follows:

(a) Requires that an application for a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title be made in a manner prescribed by TxDOT and accompanied by a \$8 application fee and include, in addition to any other information required by TxDOT the name and current address of the owner; and a description of the motor vehicle, including the make, style of body, model year, and vehicle identification number. Deletes existing text requiring the inclusion of a statement describing whether the motor vehicle was the subject of a total loss claim paid by an insurance company under Section 501.092 or 501.093; is a self-insured motor vehicle under Section 501.094 (Self-Insured Motor Vehicle); is an export-only motor vehicle under Section 501.099 (Sale of Export-Only Motor Vehicle); or was sold, transferred, or released to the owner or former owner of the motor vehicle or a buyer at a casual sale. Makes conforming and nonsubstantive changes.

(c) Requires that a printed nonrepairable vehicle title state on its face certain information. Makes a conforming change.

(c-1) Requires TxDOT's titling system to include a remark that clearly identifies the vehicle as a salvage or nonrepairable motor vehicle.

SECTION 42. Amends Sections 501.100(a), (b), (c), and (f), Transportation Code, as follows:

- (a) Provides that a vehicle for which a nonrepairable certificate of title issued prior to September 1, 2003, or for which a salvage vehicle title or salvage record of title has been issue may obtain, rather than be issued, a regular title after the motor vehicle has been repaired, rebuilt, or reconstructed, and, in addition to any other requirement of law, only if the application describes each major component part used to repair the motor vehicle; states the name of each person from whom the parts used in assembling the vehicle were obtained; and shows the identification number required by federal law to be affixed to or inscribed on the part. Deletes existing text authorizing that a regular certificate of title be issued after the motor vehicle has been repaired, rebuilt, or reconstructed, by a person described by Section 501.104(a) and, in addition to any other requirement of law, only if the application is accompanied by a separate form. Makes conforming and nonsubstantive changes.
- (b) Requires TxDOT, on receipt of a complete application under this section accompanied by the fee for the title, to issue the applicant a regular title. Deletes existing text requiring TxDOT, on receipt of a complete application under this section accompanied by the \$13 fee for the certificate of title, to issue the applicant a regular certificate of title for the motor vehicle.
- (c) Requires that a regular title issued under this section describe or disclose the motor vehicle's former condition in a manner reasonably understandable to a potential purchaser of the motor vehicle. Deletes existing text requiring a certificate of title under this section to bear on its face the words "REBUILT SALVAGE" in capital letters that: are red; are centered on and occupy at least 15 percent of the face of the certificate of title; and do not prevent any other words on the title from being read or copied.
- (f) Prohibits TxDOT from issuing a regular title for a motor vehicle based on a nonrepairable vehicle title or comparable out-of-state ownership document; receipt issued under Section 501.1003(b), rather than 501.096(b); or certificate of authority. Makes a conforming change.

SECTION 43. Renumbers Section 501.092, Transportation Code, as Section 501.1001, Transportation Code, and amends it as follows:

Sec. 501.1001. New heading: SALVAGE MOTOR VEHICLES OR NONREPAIRABLE MOTOR VEHICLES FOR INSURANCE COMPANIES OR SELF-INSURED PERSONS. (a) Requires an insurance company that is licensed to conduct business in this state and that acquires, through payment of a claim, ownership or possession of a salvage motor vehicle or nonrepairable motor vehicle covered by a title issued by this state or a manufacturer's certificate of origin, to surrender a properly assigned title or manufacturer's certificate of origin to TxDOT, in a manner prescribed by TxDOT, except that not earlier than the 31st, rather than the 46th, day after the date of payment of the claim the insurance company may surrender a title, in a manner prescribed by TxDOT, and receive a salvage vehicle title or a nonrepairable vehicle title without obtaining a properly assigned title if the insurance company meets certain conditions. Makes conforming changes.

(b) Requires the insurance company, or a salvage motor vehicle, to apply for a salvage vehicle title or salvage record of title. Requires the insurance company, for a nonrepairable motor vehicle, to apply for a nonrepairable vehicle title or nonrepairable record of title.

(c) Deletes existing text of Subsection (a) prohibiting an insurance company from selling a certain motor vehicle unless certain conditions exist. Deletes existing Subsection (d) relating to the authority of an insurance to sell certain motor vehicles under certain conditions. Redesignates existing Subsection (e) as Subsection (c). Authorizes an insurance company or other person who acquires ownership of a motor vehicle other than a nonrepairable or salvage motor vehicle to voluntarily and on proper application obtain a salvage vehicle title, salvage

record of title, nonrepairable vehicle title, or nonrepairable record of title for the vehicle.

(d) Provides that this section applies only to a motor vehicle in this state that is a self-insured motor vehicle and damaged to the extent it becomes a nonrepairable or salvage motor vehicle.

(e) Requires the owner of a motor vehicle to which this section applies to submit to TxDOT before the 31st business day after the date of the damage, in a manner prescribed by TxDOT, a statement that the motor vehicle was self-insured and damaged.

(f) Requires the owner, when the owner submits a statement under Subsection (e), to surrender the ownership document and apply for a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title.

SECTION 44. Renumbers Section 501.093, Transportation Code, as Section 501.1002, Transportation Code, and amends it as follows:

Sec. 501.1002. New heading: OWNER-RETAINED VEHICLES. (a) Requires the insurance company, if an insurance company pays a claim on a nonrepairable motor vehicle or salvage motor vehicle and the insurance company does not acquire ownership of the motor vehicle, to apply for a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title; or notify the owner of the information contained in Subsection (b) or Section 501.09111; and submit to TxDOT, before the 31st day after the date of the payment of the claim, in a manner prescribed by TxDOT, a report stating that the insurance company has paid a claim on the motor vehicle and has not acquired ownership of the motor vehicle. Makes conforming and nonsubstantive changes.

(b) Prohibits the owner of a motor vehicle to which this section applies from operating or permitting operation of the motor vehicle on a public highway or transfer ownership of the motor vehicle by sale or otherwise unless TxDOT has issued a salvage vehicle title, salvage record of title, nonrepairable vehicle title, or nonrepairable record of title for the motor vehicle or a comparable ownership document has been issued by another state or jurisdiction for the motor vehicle. Deletes existing Subsection (c) providing that Subsection (b) does not apply if TxDOT has issued a nonrepairable vehicle title or salvage vehicle title for the motor vehicle or another state or jurisdiction has issued a comparable out-of-state ownership document for the motor vehicle. Makes a nonsubstantive change.

SECTION 45. Renumbers Section 501.096, Transportation Code, as Section 501.1003, Transportation Code, and amends it as follows:

Sec. 501.1003. New heading: SALVAGE DEALER RESPONSIBILITIES. (a) Requires the dealer, if a salvage vehicle dealer acquires ownership of a nonrepairable motor vehicle or salvage motor vehicle for the purpose of dismantling, scrapping, or destroying the motor vehicle, before the 31st day after the date the dealer acquires the motor vehicle, to submit to TxDOT a report stating that the motor vehicle will be dismantled, scrapped, or destroyed. Requires the dealer to make the report in a manner prescribed by TxDOT, and submit with the report a properly assigned manufacturer's certificate of origin, regular certificate of title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state ownership document for the motor vehicle. Makes a conforming change.

(b) Makes no changes to this subsection.

(c) Requires TxDOT to adopt rules to notify the salvage dealer, if the vehicle was not issued a printed title, but has a record of title in TxDOT's titling system. Deletes existing text requiring the salvage vehicle dealer to keep on the business premises of the dealer, until the third anniversary of the date the report on the motor vehicle is submitted to TxDOT, a record of the vehicle, its ownership, and

its condition as dismantled, scrapped, or destroyed and to present to TxDOT, on the form prescribed by TxDOT, evidence that the motor vehicle was dismantled, scrapped, or destroyed before the 61st day after the date the dealer completed the dismantling, scrapping, or destruction of the motor vehicle.

SECTION 46. Amends Section 501.104, Transportation Code, as follows:

Sec. 501.104. REBUILDER TO POSSESS TITLE OR OTHER DOCUMENTATION.

(a) Provides that this section applies to a person engaged in repairing, rebuilding, or reconstructing three or fewer motor vehicles regardless of whether the person is licensed to engage in that business. Deletes existing text providing that this section applies only to a rebuilder licensed as a salvage vehicle dealer; a person engaged in the business of a rebuilder, regardless of whether the person is licensed to engage in that business, or a person engaged in the casual repair, rebuilding, or reconstruction of fewer than three motor vehicles in the same 12-month period.

(b) Requires a person described by Subsection (a) to possess an acceptable ownership document or proof of ownership, rather than a regular certificate of title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state for any motor vehicle that meets certain conditions.

SECTION 47. Renumbers Section 501.105, Transportation Code, as Section 501.108, Transportation Code, and amends it as follows:

Sec. 501.108. New heading: RECORD RETENTION. (a) Creates Subsection (a) from existing text. Makes no further changes to this subsection.

(b) Requires the salvage vehicle dealer to keep on the business premises of the dealer, until the third anniversary of the date the report on the motor vehicle is submitted to TxDOT, a record of the vehicle, its ownership, and its condition as dismantled, scrapped, or destroyed.

SECTION 48. Renumbers Section 501.102, Transportation Code, as Section 501.109, Transportation Code, and amends it as follows:

Sec. 501.109. OFFENSES. (a) Provides that a person commits an offense if the person applies to TxDOT for a regular title for a motor vehicle and knows or reasonably should know that the vehicle is a nonrepairable motor vehicle that has been repaired, rebuilt, or reconstructed; the vehicle identification number assigned to the motor vehicle belongs to a nonrepairable motor vehicle that has been repaired, rebuilt, or reconstructed; the title issued to the motor vehicle belongs to a nonrepairable motor vehicle that has been repaired, rebuilt, or reconstructed; or the motor vehicle is a nonrepairable motor vehicle or salvage motor vehicle for which a nonrepairable vehicle title, salvage vehicle title, or comparable ownership document issued by another state or jurisdiction has not been issued. Deletes existing providing that a person commits an offense if the person knows or reasonably should know that the vehicle identification number assigned to the motor vehicle belongs to an export-only motor vehicle or the motor vehicle is an export-only motor vehicle. Make a conforming change.

(b) Makes no changes to this subsection.

(c) Provides that a person commits an offense if the person knowingly fails or refuses to surrender a regular certificate of title after the person receives a notice from an insurance company that the motor vehicle is a nonrepairable or salvage motor vehicle; or knows the vehicle has become a nonrepairable motor vehicle or salvage motor vehicle under Section 501.1001, rather than 501.094.

(d) Makes no changes to this subsection.

(e) Makes no changes to this subsection.

SECTION 49. Renumbers Section 501.106, Transportation Code, as Section 501.110, Transportation Code, and amends it as follows:

Sec. 501.110. ENFORCEMENT OF SUBCHAPTER. (a) Makes no changes to this subsection.

(b) Provides that TxDOT, an agent, officer, or employee of TxDOT, or another person enforcing this subchapter is not liable to a person damaged or injured by an act or omission relating to the issuance of a title, nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title under this subchapter. Makes a conforming and a nonsubstantive change.

SECTION 50. Amends Section 501.111(a), Transportation Code, to make a conforming change.

SECTION 51. Amends Section 501.113(a), Transportation Code, as follows:

(a) Provides that recordation of a lien under this chapter is considered to occur when TxDOT's titling system is updated or TxDOT accepts the application of title that discloses the lien with the filing fee. Deletes existing text providing that recordation of a lien under this chapter is considered to occur when the county assessor-collector is presented with an application for a certificate of title that discloses the lien with tender of the filing fee.

SECTION 52. Amends Sections 501.114(a), (c), (d), and (e), Transportation Code, as follows:

(a) Authorizes a lienholder to assign a lien recorded under Section 501.113 by applying to TxDOT, rather than the county assessor-collector, for the assignment of the lien and notifying the debtor of the assignment.

(c) Requires that an application under Subsection (a) be acknowledged by the person to whom the lien is assigned. Deletes existing text requiring that an application under Subsection (a) be signed by the person to whom the lien is assigned and accompanied by the applicable fee a copy of the assignment agreement executed by the parties, and the certificate of title on which the lien to be assigned is recorded.

(d) Authorizes, rather than requires, TxDOT, on receipt of the completed application and fee, to amend TxDOT's records to issue a new title as provided by this chapter, rather than Section 501.027. Makes a nonsubstantive and a conforming change.

(e) Provides that the time of the recordation of a lien assigned under this section is considered to be the time the lien was recorded under Section 501.113. Deletes existing text providing that the issuance of a certificate of title under Subsection (d) is recordation of the assignment.

SECTION 53. Amends Section 501.115, Transportation Code, as follows:

Sec. 501.115. DISCHARGE OF LIEN. (a) Makes conforming changes.

(b) Authorizes the owner to submit the discharge and title to TxDOT for a new title. Deletes existing text authorizing the owner to present the discharge and certificate of title to the county assessor-collector with an application for a new certificate of title and requiring TxDOT to issue a new title.

SECTION 54. Amends Section 501.116, Transportation Code, as follows:

Sec. 501.116. CANCELLATION OF DISCHARGED LIEN. Authorizes TxDOT to cancel a discharged lien that has been recorded on a title for 10, rather than six years, or more if the recorded lienholder does not exist or cannot be located for the owner to obtain a release of the lien. Makes a conforming change.

SECTION 55. Amends Sections 501.134(a)-(d), (g), and (i), Transportation Code, as follows:

(a) Authorizes the owner or lienholder disclosed on the title, if a printed title is lost or destroyed, to obtain, in the manner provided by this section and TxDOT rule, a certified copy of the lost or destroyed title directly from TxDOT by applying in a manner prescribed by TxDOT and paying a fee of \$2. Provides that a fee collected under this subsection must be deposited to the credit of the state highway fund and may be spent only as provided by Section 501.138. Makes conforming changes.

(b) Authorizes TxDOT, if a lien is disclosed on a title, to issue a certified copy of the original title only to the first lienholder or the lienholder's verified agent. Makes conforming changes.

(c) Requires TxDOT to plainly mark "certified copy" on the face of a certified copy issued under this section. Deletes existing text requiring TxDOT to plainly mark "certified copy" on the face of a certified copy issued under this section each subsequent certificate issued for the motor vehicle until the vehicle is transferred.

(d) Makes a conforming change.

(g) Authorizes TxDOT to issue a certified copy of a title before the fourth business day after the date application is made only if the applicant meets certain conditions, rather than before the fourth business day after the date application is made only if the applicant meets certain conditions. Makes a conforming change.

(i) Authorizes TxDOT to establish acceptable identification requirements for an applicant for a certified copy of a certificate of title who is not a person other than a person described by Subsection (g)(1), rather than is a person other than a person described by Subsection (g)(1), TxDOT is authorized to issue a certified copy of the certificate of title only by mail.

SECTION 56. Amends Section 501.135(a), Transportation Code, to require TxDOT to make a record of each report to TxDOT that a motor vehicle registered in this state has been stolen or concealed in violation of Section 32.33 (Hindering Secured Creditors), Penal Code, and note the fact of the report in TxDOT's records, rather than in TxDOT's records of the vehicle's certificate of title.

SECTION 57. Amends Sections 501.138(a) and (b), Transportation Code, as follows:

(a) Requires an applicant for a title, other than the state or a political subdivision of the state, to pay a fee of \$28, regardless of the county in which the applicant resides. Deletes existing text requiring an applicant for a title, other than the state or a political subdivision of the state, to pay the county assessor-collector a fee of \$33 if the applicant's residence is a county located within a nonattainment area as defined under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407), as amended, or is an affected county, as defined by Section 386.001 (Definitions), Health and Safety Code; or \$28, if the applicant's residence is any other county. Makes a conforming change and nonsubstantive changes.

(b) Requires that the fees be distributed in certain amounts, including \$15 to the comptroller of public accounts (comptroller) at the time and in the manner prescribed by the comptroller, regardless of the county in which the applicant resides. Deletes existing text requiring that the county assessor-collector send the following amount to the comptroller at the time and in the manner prescribed by the comptroller: \$20 of the fee if the applicant's residence is a county located within a nonattainment area as defined under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407), as amended, or is an affected county, as defined by Section 386.001, Health and Safety Code; or \$15 of the fee if the applicant's residence is any other county.

SECTION 58. Transfers Section 520.031, Transportation Code, as amended by Chapters 836 (H.B. 1743) and 1423 (H.B. 2409), Acts of the 76th Legislature, Regular Session, 1999, to

Subchapter H, Chapter 501, Transportation Code, renumbers it as Section 501.145, Transportation Code, and reenacts and amends it as follows:

Sec. 501.145. New heading: **FILING BY PURCHASER; APPLICATION FOR TRANSFER OF TITLE.** (a) Requires the purchaser of the used motor vehicle, not later than the 30th day after the date of assignment on the documents to file with the county assessor-collector the certificate of title or other evidence of title or if appropriate, a document described by Section 502.457 and the title or other evidence of ownership. Deletes existing text requiring the transferee of the used motor vehicle, not later than the 20th working day after the date of receiving the documents under Section 520.022 (Delivery of Receipt and Title to Transferee) or 520.0225 (Persons on Active Duty in Armed Forces of United States), to file with the county assessor-collector the license receipt and the certificate of title or other evidence of title, or if appropriate, a document described by Section 520.0225(b)(1) or (2) and the title or other evidence of title.

(b) Provides that the filing under Subsection (a) is an application for transfer of title as required under this chapter and an application for transfer of the registration of the motor vehicle, rather than an application for transfer of title as required under Chapter 501 and, if the license receipt is filed, an application for transfer of the registration of the motor vehicle.

(c) Deletes existing text of Subsection (c) defining "working day." Redesignates existing Subsection (d) as Subsection (c). Requires that, notwithstanding Subsection (a), if the purchaser, rather than transferee, is a member of the armed forces of the United States, a member of the Texas National Guard or of the National Guard of another state serving on active duty under an order of the president of the United States, or a member of a reserve component of the armed forces of the United States serving on active duty under an order of the president of the United States, the documents described by Subsection (a) be filed with the county assessor-collector not later than the 60th day after the date of assignment of ownership, rather than the 60th working day after the date of their receipt by the transferee.

SECTION 59. Transfers Section 520.023, Transportation Code, to Subchapter H, Chapter 501, Transportation Code, renumbers it as Section 501.146, Transportation Code, and amends it as follows:

Sec. 501.146 . New heading: **VEHICLE TRANSFER NOTIFICATION.** (a) Requires TxDOT, on receipt of a written notice of transfer from the seller, rather than transferor of a motor vehicle, to indicate the transfer on the motor vehicle records maintained by TxDOT. Makes conforming changes.

(b) Requires that the notice of transfer be provided by TxDOT and include a place for the seller to state a complete description of the vehicle as prescribed by TxDOT; the full name and address of the seller; the full name and address of the purchaser; the date the seller delivered possession of the vehicle to the purchaser; the signature of the seller; and the date the seller signed the form. Requires that the form be provided by TxDOT and include a place for the transferor to state the identification number of the vehicle; the number of the license plate issued to the vehicle, if any; the full name and address of the transferor; the full name and address of the transferee; the date the transferor delivered possession of the vehicle to the transferee; the signature of the transferor; and the date the seller transferor signed the form. Deletes existing text authorizing TxDOT to design the written notice of transfer to be part of the certificate of title for the vehicle. Makes conforming and nonsubstantive changes.

(c) Makes conforming changes.

(d) Deletes existing text authorizing TxDOT to adopt a fee for filing a notice of transfer under this section in an amount not to exceed the lesser of the actual cost to TxDOT of implementing this section or \$5.

(e) Makes no changes to this subsection.

(f) Prohibits TxDOT from issuing a title or registering the vehicle until the purchaser applies for a title to the county assessor-collector as provided by this chapter, rather than Chapter 501. Deletes existing text providing that this section does not require TxDOT to issue a certificate of title to a person shown on a notice of transfer as the transferee of a motor vehicle. Makes conforming changes.

SECTION 60. Transfers Section 520.032, Transportation Code, to Subchapter H, Chapter 501, and renumbers it as Section 501.147, Transportation Code, and amends it as follows:

Sec. 501.147. New heading: TITLE TRANSFER; LATE FEE. (a) Deletes existing text requiring the transferee of a used motor vehicle to pay, in addition to any fee required under Chapter 501 for the transfer of title, a transfer fee of \$2.50 for the transfer of the registration of the motor vehicle. Redesignates existing Subsection (b) as Subsection (a). Provides that if the purchaser does not file the application for the transfer of title during the period provided by Section 501.145, rather than 520.031, the purchaser is liable for a late fee to be paid to the county assessor-collector when the application is filed. Provides that if the seller, rather than transferee, holds a general distinguishing number issued under Chapter 503 of this code or Chapter 2301 (Sale or Lease of Motor Vehicles), Occupations Code, the seller is liable for the late fee in the amount of the late fee is \$10, rather than the amount of the late fee is \$10. Provides that if the seller does not hold a general distinguishing number, subject to Subsection (b), rather than (b-1), the amount of the late fee is \$25. Makes conforming changes.

(b) Redesignates Subsection (b-1) as Subsection (b). Provides that if the application is filed after the 60th day after the date the purchaser was assigned ownership of the documents under Section 501.0721, rather than the 31st working day, after the date the transferee received the documents under Section 520.022, the late fee imposed under Subsection (a), rather than Subsection (b), accrues an additional penalty in the amount of \$25 for each subsequent 30-day period, or portion of a 30-day period, in which the application is not filed.

(c) Makes no changes to this subsection.

(d) Provides that Subsections (a) and (b), rather than Subsections (b) and (b-1), do not apply if the motor vehicle is eligible to be issued: classic vehicle license plates under Section 504.501(Classic Motor Vehicles); or antique vehicle license plates under Section 504.502 (Certain Exhibition Vehicles; Offense).

SECTION 61. Transfers Section 520.033, Transportation Code, to Subchapter H, Chapter 501, Transportation Code, renumbers it as Section 501.148, Transportation Code, and amends it as follows:

Sec. 501.148. ALLOCATION OF FEES. (a) Authorizes the county assessor-collector to retain as commission for services provided under this subchapter half of each late fee, rather than half of each transfer fee collected, and half of each additional penalty collected under Section 501.147, rather than Section 520.032.

(b) Requires the county assessor-collector to report and remit the balance of the fees collected to TxDOT on Monday of each week as other fees, rather than registration fees, are required to be reported and remitted.

(c) Authorizes that, of each late fee collected from a person who does not hold a general distinguishing number by TxDOT, rather than that TxDOT receives, under Subsection (b), \$10 is authorized to be used only to fund a statewide public awareness campaign designed to inform and educate the public about the provisions of this chapter.

SECTION 62. Amends Section 501.152(b), Transportation Code, as follows:

(b) Provides that it is not a violation of this section for the beneficial owner of a vehicle to sell or offer to sell a vehicle without having possession of the certificate of title to the vehicle if the sole reason he or she does not have possession of the certificate of title is that the title is in the possession of a lienholder who has not complied with the terms of Section 501.115(a), rather than of this code.

SECTION 63. Amends Section 501.153, Transportation Code, as follows:

Sec. 501.153. APPLICATION FOR TITLE FOR STOLEN OR CONCEALED VEHICLE. Makes a conforming change.

SECTION 64. Amends Section 501.154, Transportation Code, as follows:

Sec. 501.154. ALTERATION OF CERTIFICATE OR RECEIPT. Provides that a person commits an offense if the person alters a manufacturer's, rather than a manufacturer's or importer's, certificate, title receipt, or a certificate of title.

SECTION 65. Amends Section 501.155(a), Transportation Code, to make conforming changes.

SECTION 66. Amends the heading to Section 501.158, Transportation Code, to read as follows:

Sec. 501.158. SEIZURE OF STOLEN VEHICLE OR VEHICLE WITH ALTERED VEHICLE IDENTIFICATION NUMBER.

SECTION 67. Transfers Section 520.035, Transportation Code, to Subchapter H, Chapter 501, Transportation Code, renumbers it as Section 501.161, Transportation Code, and amends it as follows:

Sec. 501.161. EXECUTION OF TRANSFER DOCUMENTS; PENALTY. (a) Requires a person who transfers a motor vehicle in this state to complete, rather than execute, in full and date as of the date of the transfer, all documents relating to the transfer of registration or title. Makes a conforming change.

(b) and (c) Makes no changes to these subsections.

SECTION 68. Amends Subchapter H, Chapter 501, Transportation Code, by adding Sections 501.162 and 501.163, as follows:

Sec. 501.162. MOTOR NUMBER REQUIRED FOR REGISTRATION; PENALTY. Provides that a person commits an offense if the person violates Section 501.0331. Provides that an offense under this section is a misdemeanor punishable by a fine of not less than \$50 and not more than \$100.

Sec. 501.163. APPLICATION FOR MOTOR NUMBER RECORD; PENALTY. Provides that a person who fails to comply with Section 501.0332 commits an offense. Provides that an offense under this section is a misdemeanor punishable by a fine of not less than \$10 and not more than \$100.

SECTION 69. Amends Chapter 501, Transportation Code, by adding Subchapter I, as follows:

SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

Sec. 501.171. APPLICATION OF SUBCHAPTER. Provides that this subchapter applies only if TxDOT implements a titling system under Section 501.173.

Sec. 501.172. DEFINITIONS. Defines "document," "electronic," "electronic document," "electronic signature," and "paper document."

Sec. 501.173. ELECTRONIC TITLING SYSTEM. (a) Authorizes TxDOT by rule to implement an electronic titling system.

(b) Provides that a record of title maintained electronically by TxDOT in the titling system is the official record of vehicle ownership unless the owner requests that TxDOT issue a printed title.

Sec. 501.174. VALIDITY OF ELECTRONIC DOCUMENTS. (a) Provides that if this chapter requires that a document be an original, be on paper or another tangible medium, or be in writing, the requirement is met by an electronic document that complies with this subchapter.

(b) Provides that if a law requires that a document be signed, the requirement is satisfied by an electronic signature.

(c) Provides that a requirement that a document or a signature associated with a document be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if the electronic signature of the person authorized to perform that act, and all other information required to be included, is attached to or logically associated with the document or signature. Provides that a physical or electronic image of a stamp, impression, or seal is not required to accompany an electronic signature.

Sec. 501.175. RECORDING OF DOCUMENTS. (a) Authorizes TxDOT, under the titling system, to receive, index, store, archive, and transmit electronic documents; provide for access to, and for search and retrieval of, documents and information by electronic means; and convert into electronic form paper documents that it accepts for the titling of a motor vehicle and information recorded and documents that were accepted for the titling of a motor vehicle before the titling system was implemented.

(b) Requires TxDOT to continue to accept paper documents after the titling system is implemented.

Sec. 501.176. PAYMENT OF FEES BY ELECTRONIC FUNDS TRANSFER OR CREDIT CARD. (a) Authorizes TxDOT to accept payment by electronic funds transfer, credit card, or debit card of any title or registration fee that TxDOT is required or authorized to collect under this chapter.

(b) Authorizes TxDOT to collect a fee for processing a title or registration payment by electronic funds transfer, credit card, or debit card. Requires that the amount of the fee be reasonably related to the expense incurred by TxDOT in processing the payment by electronic funds transfer, credit card, or debit card and prohibits it from being more than five percent of the amount of the fee being paid.

(c) Authorizes TxDOT, in addition to the fee authorized by Subsection (b), to collect from a person making payment by electronic funds transfer, credit card, or debit card an amount equal to the amount of any transaction fee charged to TxDOT by a vendor providing services in connection with payments made by electronic funds transfer, credit card, or debit card. Provides that the limitation prescribed by Subsection (b) on the amount of a fee does not apply to a fee collected under this subsection.

Sec. 501.177. SERVICE CHARGE. Authorizes TxDOT, if for any reason the payment of a fee under this chapter by electronic funds transfer, credit card, or debit card is not honored by the funding institution, or by the electronic funds transfer, credit card, or debit card company on which the funds are drawn, to collect from the person who owes the fee being collected a service charge that is for the collection of that original amount and is in addition to the original fee. Requires that the amount of the service charge must be reasonably related to the expense incurred by TxDOT in collecting the original amount.

Sec. 501.178. DISPOSITION OF FEES. Requires that all fees collected under this subchapter be deposited to the credit of the state highway fund.

Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. Provides that this subchapter modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify, limit, or supersede Section 101(c) of that Act (15 U.S.C. Section 7001(c)) or authorize electronic delivery of any of the notices described in Section 103(b) of that Act (15 U.S.C. Section 7003(b)).

SECTION 70. Amends Section 502.001, Transportation Code, as follows:

Sec. 502.001. DEFINITIONS. Redefines "all-terrain vehicle," "commercial motor vehicle," "department," "farm trailer," "farm semitrailer," "farm tractor," "forestry vehicle," "implements of husbandry," "light truck," "motorcycle," and "passenger car." Defines "apportioned license plate," "combination license plate," "combined gross weight," "commercial fleet," "construction machinery," "credit card," "debit card," "electric bicycle," "electric personal assistive mobility device," "empty weight," "golf cart," "gross vehicle weight," "moped," "motor bus," "motor vehicle," "motorized mobility device," "net carrying capacity," "oil well servicing, cleanout, or drilling machinery," "power sweeper," "private bus," "token trailer," "tow truck," and "travel trailer." Makes nonsubstantive changes.

SECTION 71. Amends Section 502.0021, Transportation Code, as follows:

Sec. 502.0021. RULES AND FORMS. (a) Makes no changes to this subsection.

(b) Requires TxDOT to post on the Internet or provide each county assessor-collector with a sufficient supply of any necessary forms, rather than prescribe forms determined by TxDOT to be necessary for the administration of this chapter and provide each county assessor-collector with an adequate supply of each form necessary for the performance of a duty under this chapter by the assessor-collector.

SECTION 72. Transfers Section 502.052, Transportation Code, Subchapter A, Chapter 502, Transportation Code, renumbers it as Section 502.00211, Transportation Code, and amends it as follows:

Sec. 502.00211. New heading: DESIGN OF REGISTRATION INSIGNIA. Requires TxDOT to prepare the designs and specifications to be used as the registration insignia. Deletes existing designation of Subsection (a). Deletes existing text requiring TxDOT to prepare the designs and specifications of license plates and devices selected by the Texas Transportation Commission (TTC) to be used as the registration insignia. Deletes existing Subsection (b) requiring TxDOT to design each license plate to include a design at least one-half inch wide that represents in silhouette the shape of Texas and that appears between letters and numerals and authorizing TxDOT to omit the silhouette of Texas from specially designed license plates. Deletes existing Subsection (c) requiring that each license plate, to promote highway safety, be made with a reflectorized material that provides effective and dependable brightness for the period for which the plate is issued and that the purchase of reflectorized material be submitted to the comptroller for approval.

SECTION 73. Amends Section 502.0022, Transportation Code, as follows:

Sec. 502.0022. New heading: CONSOLIDATED REGISTRATION OF VEHICLES. (a) Requires TxDOT to develop and implement a system of registration so that an owner of more than one motor vehicle or trailer that is subject to registration under this chapter, rather than a fleet of motor vehicles, is authorized to consolidate the registration of the motor vehicles, rather than motor vehicles in the fleet, as an alternative to the separate registration of each motor vehicle. Authorizes the owner to designate an initial or a renewal registration period for a vehicle or trailer so that the registration period expires on the same date as the registration period for another vehicle or trailer previously registered by that owner. Makes a conforming change.

(b) Requires that a system of consolidated registration under this section allow the owner of the motor vehicles to register all, rather than an entire fleet of, motor vehicles in the county of the owner's residence or principal place of business; or vehicles, rather than those vehicles in a fleet of vehicles, that are operated most regularly in the same county by registering the vehicles in that county. Makes conforming changes.

(c) Requires that the registration, with the consent of TxDOT, be issued in accordance with Section 502.044. Deletes existing text requiring TxDOT by rule to define "fleet" for purposes of this section. Deletes existing Subsection (d) authorizing TXDOT to adopt rules to administer this section.

SECTION 74. (a) Amends Subchapter A, Chapter 502, Transportation Code, by adding Section 502.0023, as follows:

Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET VEHICLES. (a) Requires TxDOT to develop and implement a system of registration to allow an owner of a commercial fleet to register the motor vehicles in the commercial fleet for an extended registration period of not less than one year or more than eight years. Authorizes the owner to select the number of years for registration under this section within that range and register the commercial fleet for that period. Provides that payment for the entire registration period selected is due at the time of registration.

(b) Requires an owner registering a commercial fleet under this section, in addition to the registration fees prescribed by Subchapter D (Registration Procedures and Fees), to pay an annual commercial fleet registration fee of \$10 per motor vehicle and a one-time license plate manufacturing fee of \$1.50 for each issued motor vehicle license plate.

(c) Authorizes a license plate issued under this section, at the registered owner's option, to include on the legend the name or logo of the business entity that owns the vehicle. Requires that the license plates conform in all respects to the provisions of this chapter, except as specified herein.

(d) Requires that payment of all registration license taxes and fees under this chapter, for commercial fleets registered under this section, be paid in advance for the extended registration period selected under Subsection (b). Provides that upon payment of all registration license taxes and fees, no annual validation window insignia is required for the entire period paid for in advance and that a registration card will be issued for the period elected only for vehicles that exceed 10,000 pounds in weight.

(e) Provides that failure to comply with this section may result in suspension or termination from the commercial fleet program.

(f) Requires TxDOT to adopt rules to implement this section.

(b) Requires TxDOT to adopt the rules and establish the system required under Section 502.0023, Transportation Code, as added by this section, not later than September 1, 2010.

(c) Effective date of this section: September 1, 2009.

SECTION 75. Transfers Section 502.185, Transportation Code, to Subchapter A, Chapter 502, Transportation Code, renumbers it as Section 502.010, Transportation Code, and amends it as follows:

Sec. 502.010. New heading: COUNTY SCOFFLAW. (a)-(e) Makes no changes to these subsections.

(f) Authorizes the additional fee from a past due fine, fee, or tax to be used only to reimburse TxDOT or the county for its expenses for providing services under the contract.

(g) Makes no changes to this subsection.

(h) Provides that this section does not apply to the registration of a motor vehicle under Section 501.0234 (Duty of Vehicle Dealer on Sale of Certain Vehicles), unless the vehicle is titled and registered in the name of a person who holds a general distinguishing number.

SECTION 76. Amends the heading to Subchapter B, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER B. REGISTRATION REQUIREMENTS

SECTION 77. Transfers Section 502.002, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.040, Transportation Code, and amends it as follows:

Sec. 502.040. REGISTRATION REQUIRED; GENERAL RULE. (a) Makes no changes to this subsection.

(b) Requires that the application be made in a manner prescribed by, rather than be made to, TxDOT through the county assessor-collector of the county in which the owner resides.

(c) and (d) Makes no changes to these subsections.

SECTION 78. Transfers Section 502.157, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.041, Transportation Code, and amends it as follows:

Sec. 502.041. INITIAL REGISTRATION. (a) Authorizes the owner of a vehicle, notwithstanding Section 502.040, rather than Section 502.002, when a motor vehicle is required be registered before an application for a certificate of title will be accepted, to concurrently apply for a title and for registration, through the county assessor-collector of the county in which the owner resides or the vehicle is purchased or encumbered. Makes a conforming and nonsubstantive change.

(b) Authorizes the owner, the first time an owner applies for registration of a vehicle, to demonstrate compliance with Section 502.046(a), rather than 502.153(a), as to the vehicle by showing proof of financial responsibility in any manner specified in Section 502.046(c), rather than 502.153(c), as to any vehicle of the owner or any vehicle used as part of the consideration for the purchase of the vehicle the owner applies to register. Makes a conforming change.

SECTION 79. Transfers Section 502.152, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.042, Transportation Code, and amends it as follows:

Sec. 502.042. New heading: TITLE REQUIRED FOR REGISTRATION. Deletes existing designation as Subsection (a). Deletes existing Subsection (b) providing that this section does not apply to an automobile that was purchased new before January 1, 1936. Makes conforming changes.

SECTION 80. Transfers Section 502.151, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.043, Transportation Code, and amends it as follows:

Sec. 502.043. APPLICATION FOR REGISTRATION. (a) Requires that an application for vehicle registration be made in a manner prescribed and include the information required, rather than be made on a form furnished, by TxDOT by rule and contain a full description of the vehicle as required by department rule, rather than contain the full name and address of the owner, contain a brief description of the vehicle; contain any other information required by TxDOT; and be signed by the owner.

(b) Redesignates Subsection (c) as Subsection (b). Deletes existing text of Subsection (b) requiring that the description of a new motor vehicle include certain information. Requires an applicant for registration of a commercial motor vehicle, truck-tractor, trailer, or semitrailer to show acceptable proof to the county assessor-collector of, rather than deliver an affidavit showing the weight of the vehicle, the maximum load to be carried on the vehicle, and the gross weight for which the vehicle is to be registered. Deletes existing text requiring the assessor-collector to keep the affidavit on file.

(b-1) Requires an applicant for registration of a non-titled trailer to provide proof of ownership by providing a vehicle identification inspection and a bill of sale or bond. Requires the applicant to include the information established by TxDOT rule, for a trailer that weighs 4,000 pounds or less and for a trailer that weighs more than 4,000 pounds, to include an order determining ownership of the trailer issued by a court with jurisdiction.

(c) Redesignates Subsection (d) as Subsection (c). Provides that this section allows issuance for registration purposes only but does not authorize TxDOT to issue a certificate of title or record of title. Deletes existing Subsection (e) requiring the county assessor-collector, if an owner or claimed owner has lost or misplaced the registration receipt or transfer receipt for the vehicle, to register the vehicle on the person's furnishing to the assessor-collector satisfactory evidence, by affidavit or otherwise, that the person owns the vehicle. Deletes existing Subsection (f) requiring a county assessor-collector to date each registration receipt issued for a vehicle with the date on which the application for registration is made.

SECTION 81. Transfers Section 502.158, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.044, Transportation Code, and amends it as follows:

Sec. 502.044. New heading: REGISTRATION PERIOD. (a)-(b) Makes no changes to these subsections.

(c) Authorizes TxDOT to designate a registration period of less than 12 months to be, rather than providing that the registration fee for a registration period of less than 12 months is, computed at a rate of one-twelfth the annual registration fee multiplied by the number of months in the registration period. Authorizes TxDOT by rule, to allow payment of registration fees for a designated period not to exceed 96 months. Deletes existing text prohibiting TxDOT from designating a registration period of more than 12 months, but authorizing an owner with the consent of TxDOT, to pay registration fees for a designated period of more than 12 months, and an owner of a vehicle to pay registration fees for a designated period of 12, 24, or 36 months. Deletes existing Subsection (d) requiring that an application for registration be made during the two months preceding the date on which the registration expires. Deletes existing Subsection (e) providing that the fee to be paid for renewing a registration is the fee that will be in effect on the first day of the vehicle registration year.

(d) Redesignates Subsection (g) as Subsection (d). Requires TxDOT to issue a registration receipt and registration insignia that are valid until the expiration of the designated period, rather than issue the applicant for registration who pays registration fees for a designated period of 24 or 36 months a registration receipt

and registration insignia that are valid until the expiration of the designated period.

SECTION 82. Transfers Section 502.176, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, rennumbers it as Section 502.045, Transportation Code, and amends it as follows:

Sec. 502.045. DELINQUENT REGISTRATION. (a) Provides that a registration fee, rather than a registration fee prescribed by this chapter, for a vehicle becomes delinquent immediately if the vehicle is used on a public highway without the fee having been paid in accordance with this chapter.

(b) Authorizes an applicant for registration who provides evidence acceptable to the assessor-collector to establish good reason for delinquent registration and who complies with the other requirements for registration under this chapter to register the vehicle for a 12-month period that ends on the last day of the 11th month after the month in which the registration occurs under this subsection. Deletes existing text requiring a county assessor-collector that determines that an applicant for registration for which payment of the registration fee is delinquent has provided evidence acceptable to the assessor-collector sufficient to establish good reason for delinquent registration and that the application complies with the other requirements for registration under this chapter to register the vehicle for a 12-month period that ends on the last day of the 11th month after the month in which the registration occurs under this subsection. Provides that the registration period for vehicles registered in accordance with Sections 502.255, 502.431, 502.435, 502.454, 504.401, 504.505 (Cotton Vehicles), 504.515, and 504.613 (Houston Livestock Show and Rodeo License Plates), rather than 502.164, 502.167, 502.203, 502.255, 502.267, 502.277, 502.278, 502.293 (County Judges), as added by Chapter 1222, Acts of the 75th Legislature, Regular Session, 1997, and 502.295 (State Officials), as added by Chapter 625, Acts of the 75th Legislature, Regular Session, 1997, will end on the annual registration date, and the registration fees will be prorated.

(c) Requires a county assessor-collector that determines that an applicant for registration who is delinquent and has not provided evidence acceptable to establish good reason for delinquent registration but who complies with the other requirements for registration under this chapter to register the vehicle for a 12-month period without changing the initial month of registration. Makes conforming changes.

(d) Authorizes a person who has been arrested or received a citation for a violation of Section 502.472, rather than Section 502.402, to register the vehicle being operated at the time of the offense, rather than at the time of the offense with the county assessor-collector, for a 12-month period without change to the initial month of registration only if the person meets the other requirements for registration under this chapter; and pays an additional charge equal to 20 percent of the prescribed fee.

(e) Requires TxDOT by rule, rather than the county assessor-collector, to adopt a list of evidentiary items sufficient to establish good reason for delinquent registration under Subsection (b) and provide for the evidence, rather than forms of evidence, that is authorized to be used to establish good reason under that subsection. Deletes existing text requiring that the list of evidentiary items adopted under this section allow for delinquent registration under Subsection (b) because of certain reasons.

(f) Makes no changes to this subsection.

SECTION 83. Transfers Section 502.153, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, rennumbers it as Section 502.046, Transportation Code, and amends it as follows:

Sec. 502.046. EVIDENCE OF FINANCIAL RESPONSIBILITY. (a) Requires that evidence of financial responsibility as required by Section 601.051 (Requirement of Financial Responsibility) other than for a trailer or semitrailer be submitted with the application for registration under Section 502.043. Requires the county assessor-collector to examine the evidence of financial responsibility to determine whether it complies with Subsection (c). Requires that the evidence, rather than the assessor-collector after examining the evidence to return the evidence, after examination, be returned unless it is in the form of a photocopy or an electronic submission. Deletes existing text requiring the owner of a motor vehicle, other than a trailer or semitrailer, except as provided by Subsection (j), for which evidence of financial responsibility is required by Section 601.051, or a person who represents the owner for purposes of registering a motor vehicle, to submit evidence of financial responsibility with the application for registration under Section 502.151.

(b) Requires that the evidence be returned after examination unless it is in the form of a photocopy or an electronic submission.

(c) Authorizes evidence of financial responsibility, in this section, to be certain information, including a document listed under Section 601.053(a) (relating to the requirement of an operator of a vehicle to provide certain things to a peace officer) or verified in compliance with Section 601.452 (Implementation of Program; Rules), as added by Chapter 892, Acts of the 79th Legislature, Regular Session, 2005.

(d) Requires that a personal automobile policy used as evidence of financial responsibility under this section comply with Section 1952.052 (Use of Previously Approved or Adopted Policy Forms Authorized) et seq. and Sections 2301.051 (Definitions), 2301.052 (Regulation of Policy Forms and Endorsements), 2301.053 (Requirements for Forms; Plain-Language Requirement), 2301.054 (Certain Contracts or Agreements Prohibited; Revocation of Certificate of Authority), and 2301.055 (Rules), rather than Article 5.06 (Policy Forms and Endorsements) or 5.145 (*not in Insurance Code*), Insurance Code.

(e) Requires the county assessor-collector, at the time of registration, to provide to a person registering a motor vehicle a statement that the motor vehicle, rather than a separate statement that the motor vehicle being registered, is prohibited from being operated in this state unless liability insurance coverage for the motor vehicle in at least the minimum amounts required by law remains in effect to insure against potential losses; or the motor vehicle is exempt from the insurance requirement because the person has established financial responsibility in a manner described by Sections 601.051(2) (relating to a surety bond), (3) (relating to a deposit under Section 601.122), (4) (relating to a deposit under Section 601.123), or (5) (relating to self-insurance) or is exempt under Section 601.052 (Exceptions to Financial Responsibility). Makes nonsubstantive changes.

(f)-(j) Makes no changes to these subsections.

SECTION 84. Transfers Section 502.009, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, rennumbers it as Section 502.047, Transportation Code, and amends it as follows:

Sec. 502.047. MOTOR VEHICLE EMISSIONS INSPECTION AND MAINTENANCE REQUIREMENTS. (a) Provides that Subsections (b)-(e) apply only if the United States Environmental Protection Agency determines that the state has not demonstrated, as required by 40 C.F.R. Section 51.361, that sticker-based enforcement of the program is more effective than registration-based enforcement and gives the Texas Commission on Environmental Quality (TCEQ), rather than the Texas Natural Resource Conservation Commission (TNRCC), or the governor written notification that the reregistration-based

enforcement of the program, as described by those subsections, will be required. Makes a conforming change.

(b) Prohibits a motor vehicle from being registered, rather than TxDOT from registering a motor vehicle, if TxDOT receives from TCEQ, rather than TNRCC, or DPS notification that the registered owner of the vehicle has not complied with Subchapter F (Motor Vehicle Emissions Inspection and Maintenance), Chapter 548 (Compulsory Inspection of Vehicles).

(c) Prohibits a motor vehicle from being registered if the vehicle was denied registration under Subsection (b) unless verification is received, rather than prohibiting the county-tax collector from registering a vehicle denied registration under Subsection (b) unless the tax assessor-collector has verification, that the registered vehicle owner is in compliance with Subchapter F, Chapter 548.

(d) Requires TxDOT, TCEQ, and DPS to enter an agreement regarding the responsibilities for costs associated with implementing this section. Makes a conforming change.

(e) Makes no changes to this subsection.

SECTION 85. Transfers Section 502.005, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.048, Transportation Code, and amends it as follows:

Sec. 502.048. REFUSAL TO REGISTER UNSAFE VEHICLE. Deletes existing designation as Subsection (a). Authorizes TxDOT to refuse to register a motor vehicle and to cancel, suspend, or revoke a registration if the department determines that a motor vehicle is unsafe, improperly equipped, or otherwise unfit to be operated on a public highway. Deletes existing Subsection (b) authorizing TxDOT to refuse to register a motorcycle and to suspend or revoke the registration of a motorcycle if TxDOT determines that the motorcycle's braking system does not comply with Section 547.408 (Performance Requirements for Brakes). Makes a nonsubstantive change.

SECTION 86. Amends Section 502.055(b), Transportation Code, to authorize TxDOT to require an applicant for registration under this chapter to provide TxDOT with evidence of the manufacturer's rated carrying capacity for the vehicle, or the gross vehicle weight rating, rather than the nominal tonnage rating of the vehicle; the gross vehicle weight rating of the vehicle; or any combination of information described in Subdivisions (1)-(3). Makes nonsubstantive changes.

SECTION 87. Transfers Section 502.178, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.057, Transportation Code, and amends it as follows:

Sec. 502.057. REGISTRATION RECEIPT. Deletes existing designation as Subsection (a). Requires TxDOT to issue or require to be issued to the owner of a vehicle registered under this chapter a registration receipt showing the information required by rule. Deletes existing Subsection (b) requiring that the registration receipt issued for a commercial motor vehicle, truck-tractor, trailer, or semitrailer show the gross weight for which the vehicle is registered. Makes conforming changes.

SECTION 88. Transfers Section 502.179, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.058, Transportation Code, and amends it as follows:

Sec. 502.058. DUPLICATE REGISTRATION RECEIPT. (a) Makes no changes to this subsection.

(b) Requires the office issuing a duplicate receipt to retain the fee received, rather than retain the fee received as a fee of office.

SECTION 89. Transfers Section 502.180, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.059, Transportation Code, and amends it as follows:

Sec. 502.059. New heading: ISSUANCE OF REGISTRATION INSIGNIA. (a) Requires an applicant for motor vehicle registration, on payment of the prescribed fee, to be issued registration insignia, rather than requiring TxDOT to issue, on payment of the prescribed fee to an applicant for motor vehicle registration a license plate or set of plates or a device that, when attached to the vehicle as prescribed by TxDOT, is the registration insignia for the period for which it was issued.

(b) Redesignates Subsection (c) as Subsection (b). Requires TxDOT, on application and payment of the prescribed fee for a renewal of the registration of a vehicle through the seventh, rather than for the first, second, third, or fourth, registration year after the issuance of a license plate or set of plates for the vehicle, to issue a registration insignia for the validation of the license plate or plates to be attached as provided by Subsection (c), rather than Subsection (d). Deletes existing text requiring TxDOT, subject to Subchapter I (Registration Transfer and Removal of License Plates for the Sale or Transfer of Used Vehicles), to issue only one license plate or set of plates for a vehicle during a five-year period.

(c) Redesignates Subsection (d) as Subsection (c). Requires that the registration insignia for validation of a license plate, except as provided by Subsection (f), rather than Subsection (h), be attached to the inside of the vehicle's windshield, if the vehicle has a windshield, within six inches of the place where the motor vehicle inspection sticker is required to be placed.

(d) Redesignates Subsection (e) as Subsection (d). Authorizes TxDOT rules to provide for the use of an automated registration process, including the automated on-site production of registration insignia, and automated on-premises and off-premises self-service registration. Deletes existing text requiring TxDOT to adopt rules for the issuance and use of license plates and registration insignia issued under this chapter.

(e) Redesignates Subsection (f) as Subsection (e). Provides that Subsection (c) does not apply to, rather than Subsections (b)-(d) do not apply to, the issuance of specialized license plates as designated by TxDOT, including state official license plates, exempt plates for governmental entities, and temporary registration plates; or the issuance or validation of replacement license plates, except as provided by Chapter 504, rather than Section 502.184.

(f) Redesignates Subsection (h) as Subsection (f). Requires that the registration insignia, rather than the insignia for validation of a license plate, be attached to the rear license plate of certain vehicles. Makes a conforming change. Deletes existing Subsection (g) requiring TxDOT to provide a separate and distinctive tab to be affixed to the license plate of an automobile, pickup, or recreational vehicle that is offered for rent, as a business, to any part of the public.

SECTION 90. Transfers Section 502.184, Transportation Code, to Subchapter B, Chapter 502, Transportation Code, renumbers it as Section 502.060, Transportation Code, and amends it as follows:

Sec. 502.060. New heading: REPLACEMENT OF REGISTRATION INSIGNIA. (a) Authorizes the owner of a registered motor vehicle to obtain from TxDOT through the county assessor-collector a replacement registration insignia by:

(1) certifying that the registration insignia to be replaced has been lost, stolen, or mutilated; and that the replacement registration insignia will not

be used on any other vehicle owned or operated by the person making the statement;

(2) paying a fee of \$5 plus the fees required by Sections 502.356(a) and 502.360 for each replacement registration insignia, unless specified in other law; and

(3) returning the registration insignia in the owner's possession.

Deletes existing text authorizing the owner of a registered motor vehicle to obtain from TxDOT through the county assessor-collector replacement license plates or a replacement registration insignia, by filing with the assessor-collector a statement showing that one or both of the license plates or the registration insignia to be replaced has been lost, stolen, or mutilated; and stating that no license plate or registration insignia to be replaced will be used on any vehicle owned or operated by the person making the statement; paying a fee of \$5 plus the fees required by Sections 502.170(a) and 502.1705(a) for each set of replacement license plates or each replacement registration insignia, except as provided by Subsection (b), (c), or (i); and returning to the assessor-collector each replaced plate or registration insignia in the owner's possession.

(b) Provides that a fee is not required under this section if the replacement fee has been paid under Section 504.008. Deletes existing text providing that no fee is required for the replacement of lost, stolen, or mutilated specialized license plates issued under Sections 504.308 (Distinguished Flying Cross Medal Recipients) and 504.315(e) (relating to Congressional Medal of Honor specialty license plates) and (f) (relating to certain military specialty license plates), and certain fees for replacement of certain specialized license plates.

(c) Provides that the fee for replacement of a registration insignia of all other specialized license plates issued under this chapter, rather than Section 504.507, is the amount prescribed by TxDOT as necessary to recover the cost of providing the replacement, rather than replacement plates.

(d) Redesignates Subsection (e) as Subsection (d). Prohibits a county assessor-collector from issuing replacement registration insignia without complying with this section. Makes a conforming change. Deletes existing text authorizing the owner of the vehicle, if license plates approved under Section 504.501(b) or 504.502(c) are lost, stolen, or mutilated, to obtain approval of another set of license plates as provided by Section 504.501 or 504.502, respectively, and providing that the fee for approval of replacement license plates is \$5.

(e) Redesignates Subsection (f) as Subsection (e). Requires a county assessor-collector to retain \$2.50 of each fee collected under this section and report and send the remainder to TxDOT, rather than to TxDOT as provided by Sections 502.102 and 502.105.

Deletes existing Subsection (g) authorizing replacement license plates to be used in the registration year in which the plates are issued and during each succeeding year of the five-year period as prescribed by Section 502.180(b) (relating to issuance of only one license plate for a vehicle during a 5 year period) if the registration insignia is properly attached.

Deletes existing Subsection (h) providing that Subsection (g) does not apply to the issuance of specialized license plates as designated by TxDOT, including state official license plates, exempt plates for governmental entities, and temporary registration plates.

Deletes existing Subsection (i) authorizing the owner of a vehicle listed in Section 502.180(h) (relating to the registration insignia to be attached to the rear license

plate) to obtain replacement plates and a replacement registration insignia by paying a fee of \$5 plus the fees required by Sections 502.170(a) and 502.1705(a).

SECTION 91. Amends the heading to Subchapter C, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER C. SPECIAL REGISTRATIONS

SECTION 92. Transfers Section 502.0025, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.090, Transportation Code, and amends it as follows:

Sec. 502.090. EFFECT OF CERTAIN MILITARY SERVICE ON REGISTRATION REQUIREMENT. (a) Makes no changes to this subsection.

(b) Provides that unless the registration or license issued for a vehicle described by Subsection (a) (relating to this section applying only to a motor vehicle that is owned by certain persons) is suspended, canceled, or revoked by this state as provided by law Section 502.040(a), rather than Section 502.002(a), does not apply.

SECTION 93. Transfers Section 502.054, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.091, Transportation Code, and amends it as follows:

Sec. 502.091. New heading: INTERNATIONAL REGISTRATION PLAN. (a)-(f) Makes no changes to these subsections.

SECTION 94. Transfers Section 502.355, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.092, Transportation Code, and amends it as follows:

Sec. 502.092. New heading: NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT FARM PRODUCTS. (a) and (b) Makes no changes to these subsections.

(c) Authorizes a person to obtain a permit under this section by performing certain actions, including applying to TxDOT as prescribed by TxDOT, rather than on a form prescribed by TxDOT;

(d) Makes no changes to this subsection.

(e) Prohibits a vehicle for which a permit is issued under this section from being operated in this state after the permit expires unless the owner obtains another temporary permit; or registers the vehicle under Sections 502.253, 502.254, 502.256, or 502.255, rather than Sections 502.162, 502.165, 502.166, or 502.167, as appropriate, for the remainder of the registration year.

(f) Prohibits a vehicle for which a permit is issued under this section from being registered under Section 502.433, rather than Section 502.163.

(g) Makes no changes to this subsection.

Deletes existing Subsection (h) providing that a person operating a vehicle under a permit issued under this section commits an offense if the person transports farm products to a place of market, storage, or processing or a railhead or seaport that is farther from the place of production or point of entry, as appropriate, than the distance provided for in the permit; or follows a route other than that prescribed by TTC.

Deletes existing Subsection (i) providing that an offense under Subsection (h) is a misdemeanor punishable by a fine of not less than \$25 or more than \$200.

SECTION 95. Transfers Section 502.353, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.093, Transportation Code, and amends it as follows:

Sec. 502.093. New heading: ANNUAL PERMITS. (a) Authorizes TxDOT to issue an annual permit in lieu of registration to a foreign commercial motor vehicle, trailer, or semitrailer that is subject to registration in this state and is not authorized to travel on a public highway because of the lack of registration in this state or the lack of reciprocity with the state or country in which the vehicle is registered. Makes nonsubstantive changes.

(b) Provides that a permit issued under this section is valid for a vehicle registration year to begin on the first day of a calendar month designated by the department and end on the last day of the last calendar month of the registration year, rather than is in lieu of registration.

(c) Makes no changes to this subsection.

(d) Authorizes a person to obtain a permit under this section by:

(1) applying in the manner prescribed by TxDOT, rather than to TxDOT;

(2) paying a fee in the amount required by Subsection (e) in the manner prescribed by TxDOT, including a service charge for a credit card payment or escrow account, rather than in cash or by postal money order or certified check; and

(3) furnishing evidence of financial responsibility for the motor vehicle that complies with Sections 502.046(c), rather than 502.153(c), and 601.168(a), the policies to be written by an insurance company or surety company authorized to write motor vehicle liability insurance in this state.

(e) Provides that the fee for a permit under this section is the fee that would be required for registering the vehicle under Section 502.253 or 502.255, rather than Section 502.162 or 502.167, except as provided by Subsection (f).

(f) Provides that a vehicle registered under this section is exempt from the token fee and is not required to display the associated distinguishing license plate if the vehicle is a semitrailer that has a gross weight of more than 6,000 pounds; and is used or intended to be used in combination with a truck tractor or commercial motor vehicle with a gross vehicle weight of more than 10,000 pounds, rather than a manufacturer's rated carrying capacity of more than one ton.

(g) Provides that a vehicle registered under this section is not subject to the fee required by Section 502.401 or 502.403, rather than Section 502.172 or 502.173.

Deletes existing Subsection (h) authorizing TxDOT to adopt rules to administer this section and prescribe an application for a permit and other forms under this section.

Deletes existing Subsection (i) providing that a person who violates this section commits an offense and that an offense under this section is a misdemeanor punishable by a fine not to exceed \$200.

SECTION 96. Transfers Section 502.352, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.094, Transportation Code, and amends it as follows:

Sec. 502.094. New heading: 72- OR 144-HOUR PERMITS. (a) Authorizes TxDOT to issue a temporary registration permit in lieu of registration for a commercial motor vehicle, trailer, semitrailer, or motor bus that:

(1) is owned by a resident of the United States, Canada, or the United Mexican States;

(2) is subject to registration in this state; and

(3) is not authorized to travel on a public highway because of the lack of registration in this state or the lack of reciprocity with the state or province in which the vehicle is registered.

(b) Makes a conforming change.

(c) Authorizes a person to obtain a permit under this section by:

(1) applying to the county assessor-collector, TxDOT, or TxDOT's wire service agent, if TxDOT has a wire service agent;

(2) paying a fee of \$25 for a 72-hour permit or \$50 for a 144-hour permit in the manner prescribed by the department that may include a service charge for a credit card payment or escrow account, rather than in cash; by postal money order; by certified check; by wire transfer through the department's wire service agent, if any; by an escrow account; or where the service is provided, by a credit card issued by a financial institution chartered by a state or the United States, or a nationally recognized credit organization approved by TTC; and

(3) paying a discount or service charge for a credit card payment or escrow account, in addition to the fee; and furnishing to the county assessor-collector, TxDOT, or TxDOT's wire service agent, evidence of financial responsibility for the vehicle that complies with Sections 502.046(c) and 601.168(a), rather than 502.153(c) and is written by an insurance company or surety company authorized to write motor vehicle liability insurance in this state.

(d) Requires a county assessor-collector to report and send a fee collected under this section in the manner provided by Section 502.198, rather than Sections 502.102 and 502.105. Requires a wire service agent, each week, to send to TxDOT a report of all permits issued by the agent during the previous week. Requires TxDOT by rule to prescribe the format, rather than form, and content of a report required by this subsection.

(e) Redesignates Subsection (f) as Subsection (e). Deletes existing text authorizing TxDOT to adopt rules to administer this section and prescribe an application for a permit and other forms under this section.

(f) Redesignates Subsection (g) as Subsection (f).

(g) Redesignates Subsection (h) as Subsection (g).

(h) Redesignates Subsection (i) as Subsection (h).

(i) Authorizes TxDOT to refuse and to instruct a county assessor-collector to refuse to issue a temporary registration for any vehicle if, in TxDOT's opinion, the vehicle or the owner of the vehicle has been involved in operations that constitute an abuse of the privilege granted by this section. Provides that a registration issued after notice of the involvement is received is void.

SECTION 97. Transfers Section 502.354, Transportation Code, to Subchapter C, Chapter 502, Transportation Code, renumbers it as Section 502.095, Transportation Code, and amends it as follows:

Sec. 502.095. New heading: ONE-TRIP OR 30-DAY TRIP PERMITS. (a) Authorizes TxDOT to issue a temporary permit in lieu of registration for a vehicle subject to registration in this state that is not authorized to travel on a public highway because of the lack of registration in this state or the lack of reciprocity with the state or country in which the vehicle is registered. Makes nonsubstantive changes.

(b) Provides that a permit issued under this section is valid for one trip, as provided by Subsection (c), or 30 days, as provided by Subsection (d). Makes conforming and nonsubstantive changes.

(c) Makes no changes to this subsection.

(d) Authorizes a 30-day permit to be issued only to a passenger vehicle, a private bus, a trailer or semitrailer with a gross weight of not more than 10,000 pounds, a light truck, or a light commercial vehicle with a gross vehicle weight of more than 10,000 pounds that will operate unladen. Makes conforming changes.

(e) Authorizes a person to obtain a permit under this section by performing certain actions, including paying a fee, in the manner prescribed by TxDOT including a service charge for a credit card payment or escrow account, rather than in cash or by postal money order or certified check, of \$5 for a one-trip permit, or \$25 for each 30-day period; and furnishing evidence of financial responsibility for the vehicle in a form listed under Section 502.046(c), rather than 502.153(c).

(f) Requires that a registration receipt be carried in the vehicle at all times during the period in which it is valid, rather than a registration receipt and temporary tag be issued on forms provided by TxDOT.

(g) Makes no changes to this subsection.

Deletes existing Subsection (h) providing that a person issued a temporary registration under this section who operates a vehicle in violation of Subsection (f) commits an offense and that an offense under this subsection is a Class C misdemeanor.

Deletes existing Subsection (i) authorizing TxDOT to adopt rules to administer this section, and prescribe an application for a permit and other forms under this section.

SECTION 98. Amends the heading to Subchapter D, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER D. VEHICLES NOT ISSUED REGISTRATION

SECTION 99. Transfers Section 502.006, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.140, Transportation Code, and amends it as follows:

Sec. 502.140. ALL-TERRAIN VEHICLES. (a) and (b) Makes no changes to these subsections.

(c) Redesignates Subsection (e) as Subsection (c). Provides that Section 502.401, rather than Section 502.172, does not apply to an all-terrain vehicle.

(d) Provides that operation in compliance with Section 663.037 (Operation on Public Roadway Prohibited) does not require registration.

SECTION 100. Transfers Section 502.0071, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.141, Transportation Code, and amends it as follows:

Sec. 502.141. GOLF CARTS. Authorizes a golf cart to be operated on a public highway without registration, rather than providing that an owner of a golf cart is not required to register the golf cart, under certain circumstances.

SECTION 101. Transfers Section 502.0072, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.142, Transportation Code, as follows:

Sec. 502.142. MANUFACTURED HOUSING. Provides that manufactured housing, as defined by Section 1201.003 (Definitions), Occupations Code, is not a vehicle subject to this chapter.

SECTION 102. Transfers Section 502.0073, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.143, Transportation Code, and amends it as follows:

Sec. 502.143. New heading: OTHER VEHICLES. (a) Provides that an owner, rather than an owner of a power sweeper, is not required to register for operation on a public highway power sweepers, motorized mobility devices, electric personal assistive mobility devices, and electric bicycles. Makes a conforming change. Deletes existing Subsection (b) defining "power sweeper."

SECTION 103. Transfers Section 502.0078, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.144, Transportation Code, as follows:

Sec. 502.144. VEHICLES OPERATED ON PUBLIC HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL. Makes no changes to this section.

SECTION 104. Transfers Section 502.0079, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.145, Transportation Code, and amends it as follows:

Sec. 502.145. VEHICLES OPERATED BY CERTAIN NONRESIDENTS.
(a) Redesignates Subsection (c) as Subsection (a).

(b) Redesignates Subsection (d) as Subsection (b).

(c) Redesignates Subsection (e) as Subsection (c).

(d) Redesignates Subsection (f) as Subsection (d).

Deletes existing Subsection (a) authorizing a nonresident owner of a motor vehicle, trailer, or semitrailer that is registered in the state or country in which the person resides to operate the vehicle to transport persons or property for compensation without being registered in this state, if the person does not exceed two trips in a calendar month and each trip does not exceed four days.

Deletes existing Subsection (b) prohibiting a nonresident owner of a privately owned vehicle that is not registered in this state from making more than five occasional trips in any calendar month into this state using the vehicle and each occasional trip into this state from exceeding five days.

SECTION 105. Transfers Section 504.504, Transportation Code, to Subchapter D, Chapter 502, Transportation Code, renumbers it as Section 502.146, Transportation Code, and amends it as follows:

Sec. 502.146. CERTAIN FARM VEHICLES AND DRILLING AND CONSTRUCTION EQUIPMENT. (a) Makes no changes to this subsection.

(b) Provides that an owner is not required to register certain vehicles that are used only temporarily on the highways, including oil well servicing or drilling machinery; or construction machinery, rather than construction machinery that is not designed to transport persons or property on a public highway.

(c)-(e) Makes no changes to these subsections.

(f) Provides that a vehicle to which this section applies that is operated on a public highway in violation of this section is considered to be operated while unregistered and is immediately subject to the applicable registration fees and penalties prescribed by this chapter, rather than Chapter 502.

(g) Makes no changes to this subsection.

SECTION 106. Amends the heading to Subchapter E, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER E. ADMINISTRATION OF FEES

SECTION 107. Transfers Section 502.159, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.190, Transportation Code, and amends it as follows:

Sec. 502.190. New heading: SCHEDULE OF REGISTRATION FEES. Requires TxDOT to post a complete schedule of registration fees on the Internet, rather than compile and furnish to each county assessor-collector a complete schedule of fees to be collected on the various makes, models, and types of vehicles.

SECTION 108. Transfers Section 502.004, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.191, Transportation Code, and amends it as follows:

Sec. 502.191. COLLECTION OF FEES. (a) Creates this subsection from existing text.

(b) Authorizes TxDOT to accept electronic payment by electronic funds transfer, credit card, or debit card of any fee that TxDOT is authorized to collect under this chapter.

(c) Authorizes TxDOT to collect a fee for processing a payment by electronic funds transfer, credit card, or debit card. Requires that the amount of the fee be reasonably related to the expense incurred by the department in processing the payment by electronic funds transfer, credit card, or debit card and prohibits it from being more than five percent of the amount of the fee being paid.

(d) Authorizes TxDOT, in addition to the fee authorized by Subsection (b), to collect from a person making payment by electronic funds transfer, credit card, or debit card an amount equal to the amount of any transaction fee charged to the department by a vendor providing services in connection with payments made by electronic funds transfer, credit card, or debit card. Provides that the limitation prescribed by Subsection (c) on the amount of a fee does not apply to a fee collected under this subsection.

(e) Authorizes TxDOT, if, for any reason, the payment of a fee under this chapter by electronic funds transfer, credit card, or debit card is not honored by the funding institution or by the electronic funds transfer, credit card, or debit card company on which the funds are drawn, to collect from the person who owes the fee being collected a service charge that is for the collection of that original amount and is in addition to the original fee. Requires that the amount of the

service charge be reasonably related to the expense incurred by TxDOT in collecting the original amount.

SECTION 109. Amends Subchapter E, Chapter 502, Transportation Code, by adding Section 502.192, as follows:

Sec. 502.192. TRANSFER FEE. Requires the purchaser of a used motor vehicle to pay, in addition to any fee required under Chapter 501 for the transfer of title, a transfer fee of \$2.50 for the transfer of the registration of the motor vehicle. Authorizes the county assessor-collector to retain as commission for services provided under this subchapter half of each transfer fee collected.

SECTION 110. Transfers Section 502.181, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.193, Transportation Code, and amends it as follows:

Sec. 502.193. New heading: PAYMENT BY CHECK DRAWN AGAINST INSUFFICIENT FUNDS. (a) Requires a county assessor-collector who receives from any person a check or draft for payment of a registration fee for a registration year that has not ended, rather than drawn on a bank or trust company in payment of a registration fee for a registration year that has not ended on a motor vehicle, trailer, or motorcycle sidecar, that is returned unpaid because of insufficient funds or no funds in the bank or trust company to the credit of the drawer of the check or draft to immediately certify the fact to the sheriff or a constable or highway patrol officer in the county. Sets forth requirements of the certification, including the name and address of the person who gave the check or draft, rather than the name and address of the person who gave the assessor-collector the check or draft.

(b) Requires the sheriff, constable, or highway patrol officer, on receiving a complaint under Subsection (a) from the county assessor-collector, to find the person who gave the check or draft, if the person is in the county, and demand immediate redemption of the check or draft from the person. Requires the sheriff, constable, or highway patrol officer, if the person fails or refuses to redeem the check or draft, to seize and remove the license plates and registration insignia from the vehicle; and return the license plates and registration insignia to the county assessor-collector. Makes a conforming change.

SECTION 111. Transfers Section 502.182, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.194, Transportation Code, and amends it as follows:

Sec. 502.194. CREDIT FOR REGISTRATION FEE PAID ON MOTOR VEHICLE SUBSEQUENTLY DESTROYED. (a) Entitles the owner of a motor vehicle that is destroyed to the extent that it cannot afterwards be operated on a public highway to a registration fee credit if the prorated portion of the registration fee for the remainder of the registration year is more than \$15. Requires the owner to claim the credit by sending the registration fee receipt for the vehicle to TxDOT, rather than sending the registration fee receipt and the license plates, and executing a statement on a form provided by TxDOT showing that the license plates have been surrendered to TxDOT.

(b) Makes no changes to this subsection.

Deletes existing Subsection (c) requiring that a statement executed under Subsection (a)(2) be delivered to a purchaser of the destroyed vehicle and authorizing the purchaser to surrender the statement to TxDOT in lieu of the vehicle license plates.

Deletes existing Subsection (d) requiring TxDOT to adopt rules to administer this section.

SECTION 112. Transfers Section 502.183, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.195, Transportation Code, and amends it as follows:

Sec. 502.195. REFUND OF OVERCHARGED REGISTRATION FEE. (a) Entitles the owner of a motor vehicle, rather than the owner of a motor vehicle that is required to be registered, who pays an annual registration fee in excess of the statutory amount to a refund of the overcharge.

(b) Requires the county assessor-collector who collects the excessive fee to refund an overcharge on presentation to the assessor-collector of satisfactory evidence of the overcharge, rather than the owner to make a claim for a refund of an overcharge, not later than the first, rather than fifth, anniversary of the date the excessive registration fee was paid.

(c) Makes no changes to this subsection.

SECTION 113. Transfers Section 502.051, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, and renumbers it as Section 502.196, Transportation Code, to read as follows:

Sec. 502.196. DEPOSIT OF REGISTRATION FEES IN STATE HIGHWAY FUND. Makes no changes to this section.

SECTION 114. Transfers Section 502.101, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, and renumbers it as Section 502.197, Transportation Code, to read as follows:

Sec. 502.197. REGISTRATION BY MAIL OR ELECTRONIC MEANS; SERVICE CHARGE. (a)-(c) Makes no changes to these subsections.

SECTION 115. Transfers Section 502.102, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.198, Transportation Code, and amends it as follows:

Sec. 502.198. DISPOSITION OF FEES GENERALLY. (a) Provides that except as provided by Section 502.1982, rather than Sections 502.103 and 502.104 (Disposition of Certain Special Fees), this section applies to all fees collected by a county assessor-collector under this chapter.

(b) Requires a county assessor-collector, each Monday, to credit to the county road and bridge fund an amount equal to the net collections made during the preceding week until the amount so credited for the calendar year equals the total of \$60,000; \$350 for each mile of county road maintained by the county, according to the most recent information available from TxDOT, not to exceed 500 miles; and an additional amount of fees equal to the amount calculated under Section 502.1981, rather than Section 502.1025.

(c) and (d) Makes no changes to these subsections.

Deletes existing Subsection (e) requiring the county assessor-collector, each Monday, to send to TxDOT a copy of each receipt issued the previous week for a registration fee under this chapter.

SECTION 116. Transfers Section 502.1025, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, renumbers it as Section 502.1981, Transportation Code, and amends it as follows:

Sec. 502.1981. CALCULATION OF ADDITIONAL FEE AMOUNTS RETAINED BY A COUNTY. (a) Makes no changes to this subsection.

(b) Requires a county tax assessor-collector to retain under Section 502.198(b), rather than Section 502.102(b), fees based on certain percentages of the amounts calculated under Subsection (a) (relating to the requirement of the county tax assessor-collector each calendar year to calculate five percent of the tax and penalties collected) during certain fiscal years, including in fiscal year 2013, 20 percent; in fiscal year 2014, 10 percent; and in fiscal year 2015 and succeeding years, 0 percent. Deletes existing text providing certain percentages for fiscal years 2006-2012. Makes nonsubstantive changes.

(c) Makes no changes to this subsection.

SECTION 117. Transfers Section 502.103, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, rennumbers it as Section 502.1982, Transportation Code, and amends it as follows:

Sec. 502.1982. DISPOSITION OF OPTIONAL COUNTY ROAD AND BRIDGE FEE. Requires a county assessor-collector, each Monday, to apportion the collections for the preceding week for a fee imposed under Section 502.401, rather than Section 502.172, by crediting an amount equal to 97 percent of the collections to the county road and bridge fund; and sending to TxDOT an amount equal to three percent of the collections to defray TxDOT's costs of administering Section 502.401, rather than Section 502.172.

SECTION 118. Transfers Section 502.106, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, rennumbers it as Section 502.1983, Transportation Code, and amends it as follows:

Sec. 502.1983. DEPOSIT OF FEES IN INTEREST-BEARING ACCOUNT. (a) Authorizes a county assessor-collector, except as provided by Section 502.1982, rather than Sections 502.103 and 502.104, to deposit the fees in an interest-bearing account or certificate in the county depository; and send the fees to TxDOT not later than the 34th day after the date the fees are due, rather than due under Section 502.104.

(b) Makes no changes to this subsection.

SECTION 119. Transfers Section 502.107, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, and rennumbers it as Section 502.1984, Transportation Code, to read as follows:

Sec. 502.1984. INTEREST ON FEES. (a)-(c) Makes no changes to these subsections.

SECTION 120. Transfers Section 502.108, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, rennumbers it as Section 502.1985, Transportation Code, and amends it as follows:

Sec. 502.1985. USE OF REGISTRATION FEES RETAINED BY COUNTY. (a) Prohibits money credited to the county road and bridge fund under Section 502.198 or 502.1982, rather than Section 502.102 or 502.103 from being used to pay the compensation of the county judge or a county commissioner.

(b)-(d) Makes no changes to these subsections

SECTION 121. Transfers Section 502.110, Transportation Code, to Subchapter E, Chapter 502, Transportation Code, and rennumbers it as Section 502.1986, Transportation Code, to read as follows:

Sec. 502.1986. CONTINGENT PROVISION FOR DISTRIBUTION OF FEES BETWEEN STATE AND COUNTIES. Makes no changes to this section.

SECTION 122. Amends the heading to Subchapter F, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER F. REGULAR REGISTRATION FEES

SECTION 123. Transfers Section 502.160, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, renumbers it as Section 502.251, Transportation Code, and amends it as follows:

Sec. 502.251. New heading: FEE: MOTORCYCLE OR MOPED. Provides that the fee for a registration year for registration of a motorcycle or moped is \$30.

SECTION 124. Transfers Section 502.161, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, renumbers it as Section 502.252, Transportation Code, and amends it as follows:

Sec. 502.252. FEE: PASSENGER CAR, MUNICIPAL BUS, PRIVATE BUS. (a)-(c) Makes no changes to these subsections. Deletes existing Subsection (d) defining "private bus."

SECTION 125. Transfers Section 502.162, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, renumbers it as Section 502.253, Transportation Code, and amends it as follows:

Sec. 502.253. FEE: COMMERCIAL MOTOR VEHICLE OR TRUCK-TRACTOR. Deletes existing designation as Subsection (a). Deletes existing Subsection (b) providing that the gross weight of a vehicle is the actual weight of the vehicle, fully equipped with a body and other equipment, as certified by a public weigher or a license and weight inspector of DPS, plus its net carrying capacity. Deletes existing Subsection (c) providing that the net carrying capacity of a vehicle other than a bus is the heaviest net load to be carried on the vehicle, but not less than the manufacturer's rated carrying capacity. Deletes existing Subsection (d) providing that the net carrying capacity of a bus is computed by multiplying its seating capacity by 150 pounds and that the seating capacity of a bus is the manufacturer's rated seating capacity, excluding the operator's seat; or if the manufacturer has not rated the vehicle for seating capacity, a number computed by allowing one passenger for each 16 inches of seating on the bus, excluding the operator's seat.

SECTION 126. Transfers Section 502.166, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, renumbers it as Section 502.254, Transportation Code, and amends it as follows:

Sec. 502.254. FEE: TRAILER OR SEMITRAILER. Deletes existing designation as Subsection (a). Deletes existing Subsection (b) providing that the gross weight of a trailer or semitrailer is the actual weight of the vehicle, as certified by a public weigher or a license and weight inspector of DPS, plus its net carrying capacity. Deletes existing Subsection (c) providing that the net carrying capacity of a vehicle is the heaviest net load to be carried on the vehicle, but not less than the manufacturer's rated carrying capacity. Deletes existing Subsection (d) authorizing TxDOT to issue specially designed license plates for rental trailers and travel trailers that include, as appropriate, the words "rental trailer" or "travel trailer." Deletes existing Subsection (e) defining "rental fleet," "rental trailer," and "travel trailer."

SECTION 127. Transfers Section 502.167, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, renumbers it as Section 502.255, Transportation Code, and amends it as follows:

Sec. 502.255. TRUCK-TRACTOR OR COMMERCIAL MOTOR VEHICLE COMBINATION FEE; SEMITRAILER TOKEN FEE. (a) Provides that this section applies only to a truck-tractor or commercial motor vehicle with a gross vehicle weight of more than 18,000 pounds, rather than a manufacturer's rated carrying capacity of more than one ton, that is used or is to be used in combination with a semitrailer that has a gross weight of more than 6,000 pounds. Makes conforming changes.

(b) Provides that notwithstanding Section 502.253, rather than Section 502.162, the fee for a registration year for registration of a truck-tractor or commercial motor vehicle is \$40 plus a certain amount determined according to the combined gross weight of the vehicles.

(c) Provides that notwithstanding Section 502.254, rather than Section 502.166, the fee for a registration year for registration of a semitrailer used in the manner described by Subsection (a), regardless of the date the semitrailer is registered, is \$30, for a semitrailer being propelled by a power unit for which a permit under Section 623.011 (Permit for Excess Axle or Gross Weight) has been issued; or \$15, for a semitrailer being propelled by a power unit for which a permit under Section 623.011 has not been issued.

(d)-(f) Makes no changes to these subsections.

(g) Provides that this section does not apply to:

(1) a combination of vehicles that includes a vehicle that has a distinguishing license plate under Section 502.146, rather than Section 504.504;

(2) a truck-tractor or commercial motor vehicle registered or to be registered with \$5 distinguishing license plates for which the vehicle is eligible under this chapter;

(3) a truck-tractor or commercial motor vehicle used exclusively in combination with a semitrailer of the travel trailer, rather than housetrailer, type; or

(4) a vehicle registered or to be registered with a temporary registration permit; under Section 502.433 or 502.435, rather than Section 502.163 or 502.188.

(h)-(i) Makes no changes to these subsections.

(j) Authorizes a person to register a semitrailer under this section for a registration period of five consecutive years if the person applies to TxDOT for the five-year registration; provides proof of the person's eligibility to register the vehicle under this subsection as required by TxDOT; and pays a fee of \$15, plus any applicable fee under Section 502.401, rather than Section 502.172, for each year included in the registration period.

(k) Makes no changes to this subsection.

Deletes existing Subsection (l), defining "combined gross weight," "empty weight," "token trailer," "apportioned license plate," and "combination license plate."

SECTION 128. Transfers Section 502.165, Transportation Code, to Subchapter F, Chapter 502, Transportation Code, and renumbers it as Section 502.256, Transportation Code, as follows:

Sec. 502.256. FEE: ROAD TRACTOR. Makes no changes to this section.

SECTION 129. Amends the heading to Subchapter G, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER G. ADDITIONAL FEES

SECTION 130. Transfers Section 502.1705, Transportation Code, to Subchapter G, Chapter 502, Transportation Code, renumbers it as Section 502.356, Transportation Code, and amends it as follows:

Sec. 502.356. New heading: AUTOMATED REGISTRATION AND TITLING SYSTEM. (a) Makes no changes to this subsection.

(b) Authorizes TxDOT to use money collected under this section to enhance and provide for automated on-premises and off-premises registration and titling related services, rather than to perform one or more of the following: enhancing TxDOT's automated registration and title system; providing for the automated on-site production of registration insignia; or providing for automated on-premises and off-premises self-service registration.

(c) Makes no changes to this subsection.

SECTION 131. Transfers Section 502.1715, Transportation Code, as amended by Chapters 892 (S.B. 1670) and 1108 (H.B. 2337), Acts of the 79th Legislature, Regular Session, 2005, to Subchapter G, Chapter 502, Transportation Code, renumbers it as Section 502.357, Transportation Code, and reenacts and amends it as follows:

Sec. 502.357. New heading: FINANCIAL RESPONSIBILITY PROGRAMS.

(a) Requires the applicant, 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 502.046, rather than Section 502.153, to pay a fee of \$1. Requires that fees collected under this section be remitted weekly TxDOT.

(b)-(d) Makes no changes to these subsections.

SECTION 132. Transfers Section 502.1675, Transportation Code, to Subchapter G, Chapter 502, Transportation Code, renumbers it as Section 502.358, Transportation Code, and amends it as follows:

Sec. 502.358. TEXAS EMISSIONS REDUCTION PLAN SURCHARGE. (a) Provides that in addition to the registration fees charged under Section 502.255, rather than Section 502.167, a surcharge is imposed on the registration of a truck-tractor or commercial motor vehicle under that section in an amount equal to 10 percent of the total fees due for the registration of the truck-tractor or commercial motor vehicle under that section.

(b)-(c) Makes no changes to these subsections.

SECTION 133. Transfers Section 502.171, Transportation Code, to Subchapter G, Chapter 502, Transportation Code, renumbers it as Section 502.359, Transportation Code, and amends it as follows:

Sec. 502.359. ADDITIONAL FEE FOR CERTAIN VEHICLES USING DIESEL MOTOR. (a) Provides that the registration fee under this chapter for a motor vehicle other than a passenger car, a truck with a gross vehicle weight of 18,000 pounds, rather than a manufacturer's rated carrying capacity of two tons, or less, or a vehicle registered in combination under Section 502.255, rather than Section 502.167, is increased by 11 percent if the vehicle has a diesel motor.

(b) Requires that the registration receipt, rather than requiring a county assessor-collector to show on the registration receipt for a motor vehicle, other than a passenger car or a truck with a gross vehicle weight of 18,000 pounds or less, show that the vehicle has a diesel motor. Makes conforming changes.

(c) Makes no changes to this subsection.

SECTION 134. Transfers Section 502.170, Transportation Code, to Subchapter G, Chapter 502, Transportation Code, and renumbers it as Section 502.360, Transportation Code, as follows:

Sec. 502.360. ADDITIONAL FEE FOR REFLECTORIZED LICENSE PLATES.
Makes no changes to this section.

SECTION 135. Amends the heading to Subchapter H, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER H. OPTIONAL FEES

SECTION 136. Transfers Section 502.172, Transportation Code, to Subchapter H, Chapter 502, Transportation Code, renumbers it as Section 502.401, Transportation Code, and amends it as follows:

Sec. 502.401. OPTIONAL COUNTY FEE FOR ROAD AND BRIDGE FUND. (a)-(e)
Makes no changes to these subsections.

(f) Requires TxDOT to collect the additional fee on a vehicle that is owned by a resident of a county imposing a fee under this section that, rather than under this section and under this chapter, is required to be registered directly with TxDOT.

(g) Requires TxDOT to adopt rules necessary to administer registration, rather than adopt rules and develop forms necessary to administer registration by mail, for a vehicle being registered in a county imposing a fee under this section.

SECTION 137. Transfers Section 502.1725, Transportation Code, to Subchapter H, Chapter 502, Transportation Code, renumbers it as Section 502.402, Transportation Code, and amends it as follows:

Sec. 502.402. OPTIONAL COUNTY FEE FOR TRANSPORTATION PROJECTS.
(a) Makes no changes to this subsection.

(b) Provides that the commissioners court of a county by order may impose an additional fee, not to exceed \$10, for a vehicle registered in the county, rather than for registering a vehicle in the county.

(c) Authorizes a vehicle that may be registered under this chapter without payment of a registration fee to be registered under this section, rather than in a county imposing a fee, without payment of the additional fee.

(d) Authorizes a fee imposed under this section to take effect and be removed in accordance with Section 502.401 requirements. Deletes existing text authorizing a fee imposed under this section to take effect only on January 1 of a year; requiring the county to adopt the order and notify TxDOT not later than September 1 of the year preceding the year in which the fee takes effect. Deletes existing text authorizing a fee imposed under this section to be removed; authorizing the removal to take effect only on January 1 of a year; authorizing a county to remove the fee only by rescinding the order imposing the fee, and notifying TxDOT not later than September 1 of the year preceding the year in which the removal takes effect. Makes a nonsubstantive change.

(e) Redesignates existing Subsection (f) as Subsection (e). Requires that the additional fee be collected, rather than requiring the county assessor-collector of a county imposing a fee under this section to collect the additional fee, for a vehicle when other fees imposed under this chapter are collected. Requires that the fee revenue collected be sent, rather than requiring the county to send the fee revenue, to the regional mobility authority of the county to fund long-term transportation projects in the county. Makes a nonsubstantive change.

(f) Redesignates existing subsection (h) as Subsection (f). Requires TxDOT to adopt rules necessary to administer registration, rather than to adopt rules and develop forms necessary to administer registration by mail, for a vehicle being registered in a county imposing a fee under this section. Deletes existing text of

Subsection (g) requiring TxDOT to collect the additional fee on a vehicle that is owned by a resident of a county imposing a fee under this section and that, under this chapter, must be registered directly with TxDOT and requiring TxDOT to send all fees collected for a county under this subsection to the regional mobility authority of the county to fund long-term transportation projects in the county. Makes a nonsubstantive change.

SECTION 138. Transfers Section 502.173, Transportation Code, to Subchapter H, Chapter 502, Transportation Code, rennumbers it as Section 502.403, Transportation Code, and amends it as follows:

Sec. 502.403. **OPTIONAL COUNTY FEE FOR CHILD SAFETY.** (a) Authorizes the commissioners court of a county that has a population greater than 1.3 million and in which a municipality with a population of more than one million is primarily located to impose by order an additional fee of not less than 50 cents or more than \$1.50 for a vehicle registered in the county, rather than registering a vehicle in the county.

(b) Authorizes a vehicle that may be registered under this chapter without payment of a registration fee to be registered without payment of the additional fee, rather than be registered in a county imposing a fee under this section.

(c) Creates this subsection from existing Subsections (c) and (d). Authorizes a fee imposed under this section to take effect and be removed in accordance with the provisions of Section 502.401. Deletes existing text authorizing a fee imposed under this section to take effect only on January 1 of a year; requiring the county to adopt the order and notify TxDOT not later than September 10 of the year preceding the year in which the fee takes effect; authorizing a fee imposed under this section to be removed; authorizing the removal to take effect only on January 1 of a year; authorizing a county to remove the fee only by rescinding the order imposing the fee, and notifying TxDOT not later than September 1 of the year preceding the year in which the removal takes effect. Makes a nonsubstantive change.

(d) Redesignates existing Subsection (e) as Subsection (d). Requires the additional fee to be collected for a vehicle when other fees imposed under this chapter are collected, rather than requiring the county assessor collector of a count imposing a fee under this section to collect the additional fee for a vehicle when other fees imposed under this chapter are collected. Makes a nonsubstantive change.

(e), (f), and (g) Redesignates Subsections (f), (g), and (h) as Subsections (e), (f), and (g).

SECTION 139. Transfers Section 502.174, Transportation Code, to Subchapter H, Chapter 502, Transportation Code, rennumbers it as Section 502.404, Transportation Code, and amends it as follows:

Sec. 502.404. **VOLUNTARY ASSESSMENT FOR YOUNG FARMER LOAN GUARANTEES.** (a) Requires a person, when the person registers a commercial motor vehicle under Section 502.433, rather than Section 502.163, to pay a voluntary assessment of \$5.

(b) - (c) Makes no changes to these subsections.

SECTION 140. Transfers Section 502.1745, Transportation Code, to Subchapter H, Chapter 502, Transportation Code, rennumbers it as Section 502.405, Transportation Code, and amends it as follows:

Sec. 502.405. **New heading: DONOR EDUCATION, AWARENESS, AND REGISTRY PROGRAM.** (a) Requires that the educational materials be made available, rather than

requiring a county assessor-collector to make the educational materials available, in each office authorized to accept applications for registration of motor vehicles.

(b) Authorizes a person to elect to pay an additional fee of \$1, rather than requiring a county assessor collector to collect an additional fee of \$1, for the registration or renewal of registration of a motor vehicle to pay the costs of the Donor Education, Awareness, and Registry Program of Texas, established under Chapter 49 (Donor Education, Awareness, and Registry), Health and Safety Code, and of the Texas Organ, Tissue, and Eye Donor Council, established under Chapter 113 (Texas Organ, Tissue, and Eye Donor Council), Health and Safety Code, rather than if the person registering or renewing the registration of a motor vehicle opts to pay the additional fee.

(c) Makes no changes to this subsection.

SECTION 141. Amends the heading to Subchapter I, Chapter 502, Transportation Code, to read as follows:

SUBCHAPTER I. ALTERNATE REGISTRATION FEES

SECTION 142. Transfers Section 502.164, Transportation Code, to Subchapter I, Chapter 502, Transportation Code, and renumbers it as Section 502.431, Transportation Code, to read as follows:

Sec. 502.431. FEE: MOTOR VEHICLE USED EXCLUSIVELY TO TRANSPORT AND SPREAD FERTILIZER. Makes no changes to this section.

SECTION 143. Transfers Section 502.1586, Transportation Code, to Subchapter I, Chapter 502, Transportation Code, renumbers it as Section 502.432, Transportation Code, and amends it as follows:

Sec. 502.432. New heading: VEHICLE TRANSPORTING SEASONAL AGRICULTURAL PRODUCTS. (a) Makes no changes to this subsection.

(b) Creates this subsection from existing text of Subsections (b) and (c). Requires TxDOT to prescribe a registration receipt that is valid until the expiration of the designated registration period. Deletes existing text requiring TxDOT to adopt forms for registration under this section; an applicant to indicate the number of months registration is applied for; and TxDOT to design, prescribe, and furnish a registration receipt that is valid until the expiration of the designated registration period. Makes nonsubstantive changes.

(c) Redesignates Subsection (d) as Subsection (c). Provides that the registration fee for a registration under this section is computed at a rate of one-twelfth the annual registration fee under Section 502.253, 502.433, or 502.255, rather than Section 502.162, 502.163, or 502.167, as applicable, multiplied by the number of months in the registration period specified in the application for the registration, which may not be less than one month or longer than six months. Deletes existing text of Subsection (e) providing that a person issued a registration under this section commits an offense if the person, during the registration period for the truck-tractor or commercial motor vehicle, uses the truck-tractor or commercial motor vehicle for a purpose other than to transport a seasonal agricultural product. Deletes existing text of Subsection (f) prohibiting a truck-tractor or commercial motor vehicle from being registered under this section for a registration period that is less than one month or longer than six months.

(d) Redesignates Subsection (g) as Subsection (d).

SECTION 144. Transfers Section 502.163, Transportation Code, to Subchapter I, Chapter 502, Transportation Code, renumbers it as Section 502.433, Transportation Code, and amends it as follows:

Sec. 502.433. New heading: FEE: COMMERCIAL FARM MOTOR VEHICLE. (a) Provides that the registration fee for a commercial motor vehicle as a farm vehicle is 50 percent of the applicable fee under Section 502.253, rather than 502.162, if the vehicle's owner will use the vehicle for commercial purposes only to transport certain goods, items, or individuals.

(b) - (d) Makes no changes to these subsections.

(e) Makes no changes to this subsection. Deletes existing Subsection (f) providing that an offense under this section is a misdemeanor punishable by a fine of not less than \$25 or more than \$200.

SECTION 145. Transfers Section 502.351, Transportation Code, to Subchapter I, Chapter 502, Transportation Code, renumbers it as Section 502.434, Transportation Code, and amends it as follows:

Sec. 502.434. FARM VEHICLES: EXCESS WEIGHT. (a)-(b) Makes no changes to these subsections.

(d) Makes a conforming change.

(e) Makes no changes to this subsection.

SECTION 146. Transfers Section 502.188, Transportation Code, to Subchapter I, Chapter 502, Transportation Code, renumbers it as Section 502.435, Transportation Code, and amends it as follows:

Sec. 502.435 . CERTAIN SOIL CONSERVATION EQUIPMENT. (a) and (b) Makes no changes to these subsections.

(c) Requires an owner to certify, rather than an owner applying for registration under this section to submit a statement, that the vehicle is to be used only as provided by Subsection (a).

(d) Requires the registration receipt issued for a vehicle registered under this section to be carried in or on the vehicle and state the nature of the operation for which the vehicle may be used. Deletes existing text requiring that the receipt be carried at all times in or on the vehicle to permit ready inspection. Makes a nonsubstantive change.

(e) Makes no changes to this subsection.

SECTION 147. Amends Chapter 502, Transportation Code, by adding Subchapter J, as follows:

SUBCHAPTER J. REGISTRATIONS EXEMPT FROM FEES

SECTION 148. Transfers Section 502.201, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.451, Transportation Code, and amends it as follows:

Sec. 502.451. New heading: EXEMPT VEHICLES. Makes no changes to this section.

SECTION 149. Transfers Section 502.2015, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.452, Transportation Code, and amends it as follows:

Sec. 502.452. LIMITATION ON ISSUANCE OF EXEMPT LICENSE PLATES; SEIZURE OF CERTAIN VEHICLES. (a) Prohibits TxDOT from issuing exempt license plates for a vehicle owned by the United States, this state, or a political subdivision of this state unless when application is made for registration of the vehicle,

the person who under Section 502.453, rather than Section 502.202, has authority to certify to TxDOT that the vehicle qualifies for registration under that section also certifies in writing to TxDOT that there is printed on each side of the vehicle, in letters that are at least two inches high or in an emblem that is at least 100 square inches in size, the name of the agency, department, bureau, board, commission, or officer of the United States, this state, or the political subdivision of this state that has custody of the vehicle.

(b) Makes a conforming change.

(c) - (e) Makes no changes to these subsections.

(f) Provides that subsections (a) and (b) do not apply to a vehicle to which Section 502.451(g), rather than Section 502.201(g) or 502.206, applies.

(g) Makes no changes to this subsection

SECTION 150. Transfers Section 502.202, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.453, Transportation Code, and amends it as follows:

Sec. 502.453. GOVERNMENT-OWNED VEHICLES; PUBLIC SCHOOL BUSES; FIRE-FIGHTING VEHICLES; COUNTY MARINE LAW ENFORCEMENT VEHICLES. (a) The owner of a motor vehicle, trailer, or semitrailer may annually apply for registration under Section 502.451, rather than 502.201, and is exempt from the payment of a registration fee under this chapter if the vehicle meets certain requirements, including that the vehicle is used by law enforcement under an alias for covert criminal investigations.

(b) Makes no changes to this subsection.

SECTION 151. Transfers Section 502.203, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.454, Transportation Code, and amends it as follows:

Sec. 502.454. VEHICLES USED BY NONPROFIT DISASTER RELIEF ORGANIZATIONS. (a) The owner of a commercial motor vehicle, trailer, or semitrailer may apply for registration under Section 502.451, rather than 502.201, and is exempt from the payment of the registration fee that would otherwise be required by this chapter if the vehicle is owned and used exclusively for emergencies by a nonprofit disaster relief organization.

(b) - (f) Makes no changes to these subsections.

SECTION 152. Transfers Section 502.2035, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.455, Transportation Code, and amends it as follows:

Sec. 502.455. TRAILERS AND SEMITRAILERS OWNED BY RELIGIOUS ORGANIZATIONS. Makes no changes to this section.

SECTION 153. Transfers Section 502.204, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.456, Transportation Code, and amends it as follows:

Sec. 502.456 . EMERGENCY SERVICES VEHICLES. (a) Authorizes a vehicle to be registered without payment under certain circumstances, including if the vehicle is authorized under an emergency medical services provider license issued by the Department of State Health Services under Chapter 773 (Emergency Medical Services), Health and Safety Code, rather than the Texas Board of Health, and is used exclusively as an emergency medical services vehicle.

- (b) Makes no changes to this subsection.
- (c) Makes a conforming change.
- (d) Makes no changes to this subsection.
- (e) Requires TxDOT to approve an application for registration under this section as provided by Section 502.451, rather than Section 502.201.

SECTION 154. Transfers Section 520.0225, Transportation Code, to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.457, Transportation Code, and amends it as follows:

Sec. 502.457. PERSONS ON ACTIVE DUTY IN ARMED FORCES OF UNITED STATES. (a) Makes no changes to this subsection.

(b) Provides that the requirement that a used vehicle be registered, rather than the requirement in Section 520.021, that a used vehicle be registered, under the law of this state does not apply to a vehicle described by Subsection (a). Requires the person selling, trading, or otherwise transferring a used motor vehicle described by Subsection (a), in lieu of delivering the license receipt to the transferee of the vehicle, as required by Section 501.0721, rather than Section 520.022, to deliver to the transferee certain proof of registration.

(c) Makes no changes to this subsection.

SECTION 155. Amends Chapter 502, Transportation Code, by adding Subchapter K, as follows:

SUBCHAPTER K. OFFENSES AND PENALTIES

SECTION 156. Transfers Section 502.401, Transportation Code, to Subchapter K, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.471, Transportation Code, and amends it as follows:

Sec. 502.471. GENERAL PENALTY. (a) Makes no changes to this subsection.

(b) Creates this subsection from existing text of Subsections (b) and (c). Provides that unless otherwise specified, an offense under this section is a misdemeanor punishable by a fine not to exceed \$200. Deletes existing text of Subsection (b) providing that this section does not apply to a violation of Section 502.003, 502.101, 502.109, 502.112, 502.113, 502.114, 502.152, 502.164, or 502.282. Makes a nonsubstantive change.

SECTION 157. Transfers Section 502.402, Transportation Code, to Subchapter K, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.472, Transportation Code, and amends it as follows:

Sec. 502.472. New heading: OPERATION OF VEHICLE UNDER IMPROPER REGISTRATION. Deletes existing designation as Subsection (a). Provides that a person commits an offense if the person operates a motor vehicle that has not been registered or registered for a class other than that to which the vehicle belongs as required by law. Deletes existing text providing that an offense under this subsection is a misdemeanor punishable by a fine not to exceed \$200. Makes a nonsubstantive change.

SECTION 158. Transfers Section 502.404, Transportation Code, to Subchapter K, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.473, Transportation Code, and amends it as follows:

Sec. 502.473. New heading: OPERATION OF VEHICLE WITHOUT REGISTRATION INSIGNIA. (a) Provides that a person commits an offense if the person operates on a

public highway during a registration period a passenger car, commercial motor vehicle, road tractor, motorcycle, trailer, or semitrailer that does not display a validated registration insignia issued by TxDOT that establishes that the vehicle is registered, rather than two license plates, at the front and rear of the vehicle, that have been assigned by TxDOT for the period or validated by a registration insignia issued by TxDOT that establishes that the vehicle is registered for the period.

(b) Created from text of existing Subsection (d). Provides that Subsection (a), rather than Subsections (a) and (b), does not apply to a dealer operating a vehicle as provided by law. Deletes existing text of Subsection (b) providing that a person commits an offense if the person operates on a public highway during a registration period a passenger car or commercial motor vehicle, other than a vehicle assigned license plates for the registration period, that does not properly display the registration insignia issued by TxDOT that establishes that the license plates have been validated for the period. Deletes existing Subsection (c) providing that a person commits an offense if the person operates on a public highway during a registration period a road tractor, motorcycle, trailer, or semitrailer that does not display a license plate, attached to the rear of the vehicle, that has been assigned by TxDOT for the period or validated by a registration insignia issued by TxDOT that establishes that the vehicle is registered for the period. Deletes existing Subsection (e) providing that an offense under this section is a misdemeanor punishable by a fine not to exceed \$200.

(c) Created from text of existing Subsections (f) and (g). Authorizes a court to dismiss a charge brought under Subsection (a) if the defendant remedies the defect before the defendant's first court appearance, or, rather than and, shows that the passenger car or commercial vehicle, rather than motor vehicle, was issued a registration insignia by TxDOT that was attached to the passenger car or commercial vehicle that establishes that the vehicle was registered for the period during which the offense was committed, and pays an administrative fee not to exceed \$10. Deletes existing text of Subsection (f) authorizing a court to dismiss a charge brought under Subsection (a) if the defendant pays an administrative fee not to exceed \$10. Deletes existing text of Subsection (g) authorizing a court to dismiss a charge brought under Subsection (b) if the defendant shows that the registration insignia described in Paragraph (A) was attached to the passenger car or commercial motor vehicle before the defendant's first court appearance.

SECTION 159. Amends Subchapter K, Chapter 502, Transportation Code, as added by this Act, by adding Section 502.474, as follows:

Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. Provides that a person commits an offense if the person operates a vehicle for which a one-trip permit is required without the registration receipt and properly displayed temporary tag.

SECTION 160. Transfers Section 502.409, Transportation Code, as amended by Chapters 30 (S.B. 369) and 1027 (H.B. 1623), Acts of the 80th Legislature, Regular Session, 2007, to Subchapter K, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.475, Transportation Code, and amends it as follows:

Sec. 502.475. New heading: WRONG, FICTITIOUS, ALTERED, OR OBSCURED INSIGNIA. (a) Deletes existing text providing that a person commits an offense if the person attaches to or displays on a motor vehicle registration insignia, rather than a motor vehicle a number plate or registration insignia, has blurring or reflective matter that significantly impairs the readability of the name of the state in which the vehicle is registered or the letters or numbers of the license plate number at any time; has an attached illuminated device or sticker, decal, emblem, or other insignia that is not authorized by law and that interferes with the readability of the letters or numbers of the license plate number or the name of the state in which the vehicle is registered; or has a coating, covering, protective material, or other apparatus that distorts angular visibility or detectability, alters or obscures one-half or more of the name of the state in which the

vehicle is registered, or alters or obscures the letters or numbers of the license plate number or the color of the plate.

(b) Provides that an offense under Subsection (a), rather than an offense under Subsection (a) except as provided by Subsection (f), under Subsection (a) is a misdemeanor punishable by a fine of not more than \$200, unless it is shown at the trial of the offense that the owner knowingly altered or made illegible the letters, numbers, and other identification marks, in which case the offense is a Class B misdemeanor. Deletes existing Subsection (c) prohibiting Subsection (a)(7) from being construed to apply to trailer hitch installed on a vehicle in a normal or customary manner; a transponder, as defined by Section 228.057 (Electronic Toll Collection), that is attached to a vehicle in the manner required by the issuing authority; a wheelchair lift or wheelchair carrier that is attached to a vehicle in a normal or customary manner; a trailer being towed by a vehicle; or a bicycle rack that is attached to a vehicle in a normal or customary manner. Deletes existing Subsection (c) authorizing a court to dismiss a charge brought under Subsection (a)(3), (5), (6), or (7) if the defendant remedies the defect before the defendant's first court appearance and pays an administrative fee not to exceed \$10. Deletes existing Subsection (f) providing that an offense under Subsection (a)(4) is a Class B misdemeanor.

SECTION 161. Amends Subchapter K, Chapter 502, Transportation Code, as added by this Act, by adding Sections 502.476, 502.477, 502.478, and 502.479, as follows:

Sec. 502.476. FOREIGN COMMERCIAL REGISTRATION; OFFENSE. Provides that a person who violates Section 502.093 commits an offense.

Sec. 502.477. NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT AGRICULTURAL PRODUCT; OFFENSE. (a) Provides that a person operating a vehicle under a permit issued under Section 502.092 commits an offense if the person transports farm products to a place of market, storage, or processing or a railhead or seaport that is farther from the place of production or point of entry, as appropriate, than the distance provided for in the permit; or follows a route other than that prescribed by TxDOT.

(b) Provides that an offense under this section is a misdemeanor punishable by a fine of not less than \$25 or more than \$200.

Sec. 502.478. COMMERCIAL MOTOR VEHICLE USED PRIMARILY FOR AGRICULTURAL PURPOSES; OFFENSE. Provides that an offense under Section 502.432 is a misdemeanor punishable by a fine of not less than \$25 or more than \$200.

Sec. 502.479. SEASONAL AGRICULTURAL VEHICLE; OFFENSE. Provides that a person issued a registration under Section 502.432 commits an offense if the person, during the registration period, uses the truck-tractor or commercial motor vehicle for a purpose other than to transport a seasonal agricultural product.

SECTION 162. Transfers Section 520.014, Transportation Code, to Subchapter K, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.480, Transportation Code, and amends it as follows:

Sec. 502.480. VIOLATION BY COUNTY ASSESSOR-COLLECTOR; PENALTY. (a) Provides that a county assessor-collector commits an offense if the county assessor-collector knowingly accepts an application for the registration of a motor vehicle that has had the original motor number or vehicle identification number removed, erased, or destroyed; and does not bear a motor number or vehicle identification number assigned by TxDOT.

(b) Makes no changes to this subsection.

SECTION 163. Amends Chapter 502, Transportation Code, by adding Subchapter L, as follows:

SUBCHAPTER L. REGISTRATION AND TRANSFER OF USED VEHICLES

SECTION 164. Transfers Section 502.451, Transportation Code, to Subchapter L, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.491, Transportation Code, and amends it as follows:

Sec. 502.491. New heading: TRANSFER OF VEHICLE REGISTRATION.

(a) Requires that on the sale or transfer of a motor vehicle the registration insignia issued for the motor vehicle be removed. Deletes existing text requiring the dealer, on the sale or transfer of a motor vehicle to a dealer, as defined by Section 503.001, who holds a general distinguishing number issued under Chapter 503, to remove each license plate and the registration insignia issued for the motor vehicle. Deletes existing Subsection (a-1) authorizing the seller or transferor, on a sale or transfer of a motor vehicle to a person that does not hold a general distinguishing number issued under Chapter 503, to remove each license plate and the registration insignia issued for the motor vehicle.

(b) Creates this subsection from text of existing Subsection (c). Requires that part of the registration period remaining at the time of the sale or transfer shall continue with the vehicle being sold or transferred and provides that it does not transfer with the license plates or registration validation insignia. Requires the purchaser or transferee, to continue the remainder of the registration period, to file the documents required under Section 501.145, rather than Section 520.031. Deletes existing text requiring that a license plate removed from a motor vehicle under Subsection (a) or (a-1) be disposed of in the manner specified by TxDOT; or transferred to another vehicle owned by the seller or transferor as provided by Section 502.452.

SECTION 165. Transfers Section 502.454, Transportation Code, to Subchapter L, Chapter 502, Transportation Code, as added by this Act, renumbers it as Section 502.492, Transportation Code, and amends it as follows:

Sec. 502.492. New heading: TEMPORARY PERMIT FOR A VEHICLE PURCHASED. (a) Authorizes a purchaser, rather than a purchaser or transferee, to obtain from TxDOT a temporary permit, rather than a temporary single trip permit, to operate a motor vehicle that meets certain requirements including, from which the license plates and the registration insignia have been removed as authorized by Section 502.491, rather than Section 502.451(a-1).

(b) - (d) Makes no changes to these subsections.

(e) Authorizes a person to obtain a permit under this section by applying, as provided, rather than on a form provided, by TxDOT, to TxDOT. Authorizes the application to be made using TxDOT's Internet website.

(f) Makes no changes to this subsection.

(g) Requires that a permit receipt issued under this section be in a manner provided, rather than on a form provided, by TxDOT. Requires that the receipt contain the information required by this section and shall be carried in the vehicle at all times during which it is valid.

(h) Makes no changes to this subsection.

SECTION 166. Amends the heading to Chapter 504, Transportation Code, to read as follows:

CHAPTER 504. LICENSE PLATES

SECTION 167. Amends Section 504.001(a), Transportation Code, to define "seller" and "purchaser."

SECTION 168. Renumbers Section 504.004, Transportation Code, as Section 504.0011, Transportation Code, and amends it as follows:

Sec. 504.0011. New heading: RULES. Authorizes the Texas Transportation Commission (TTC) to adopt rules to implement and administer this chapter. Deletes existing text authorizing TxDOT to issue forms to implement and administer this chapter.

SECTION 169. Amends Section 504.002, Transportation Code, as follows:

Sec. 504.002. New heading: GENERAL PROVISIONS. Provides that unless expressly provided by this chapter or by department rule:

(1) except for license plates specified as exempt, the fee for issuance of a license plate, including replacement plates, rather than of a specialty license plate, is in addition to each other fee that is paid for at the time, rather than or at the time, of the registration of the motor vehicle and shall be deposited to the credit of the state highway fund. Deletes existing text relating to the eligibility for, design of, and application for specialty license plates.

(2) TxDOT is the exclusive owner of the design of each license plate, rather than each specialty license plate. Deletes existing text relating to certain fees for specialty license plates.

(3) if a license plate, rather than specialty license plate, is lost, stolen, or mutilated, an application for a replacement plate must be accompanied by the fee prescribed by Section 502.060, rather than Section 502.184(a)(2). Deletes existing text relating to the content of certain specialty license plates and the allocation of certain fees; and

(4) TxDOT is required to prepare the designs and specifications of license plates. Deletes existing text prohibiting a person who is issued a specialty license plate from transferring it to another person or vehicle without first receiving approval from TxDOT.

SECTION 170. Transfers Section 504.103, Transportation Code, to Subchapter A, Chapter 504, Transportation Code, renumbers it as Section 504.005, Transportation Code, and amends it as follows:

Sec. 504.005. DESIGN AND ALPHANUMERIC PATTERN. Provides that TxDOT has sole control over the design, typeface, color, and alphanumeric pattern for all license plates, rather than for a personalized license plate.

SECTION 171. Amends Subchapter A, Chapter 504, Transportation Code, by adding Section 504.006, as follows:

Sec. 504.006. DESIGN OF LICENSE PLATES. (a) Requires TxDOT to prepare the designs and specifications of license plates and devices selected by TTC to be used as a unique identifier.

(b) Requires TxDOT to design each license plate to include a design at least one-half inch wide that represents in silhouette the shape of Texas and that appears between letters and numerals. Authorizes TxDOT to omit the silhouette of Texas from specially designed license plates.

(c) Requires that each license plate, to promote highway safety, be made with a reflectorized material that provides effective and dependable brightness for the period for which the plate is issued.

SECTION 172. Transfers Section 502.053, Transportation Code, Subchapter A, Chapter 504, Transportation Code, renumbers it as Section 504.007, Transportation Code, and amends it as follows:

Sec. 504.007. New heading: COST OF MANUFACTURING. (a) Requires the TxDOT to reimburse the Texas Department of Criminal Justice (TDCJ) for the cost of manufacturing license plates as the invoices for the license plates are delivered to the TxDOT, rather than manufacturing license plates or registration insignia as the license plates or insignia and the invoice for the license plate or insignia are delivered to TxDOT.

(b) Requires TDCJ and TxDOT, rather than TDCJ, TxDOT, and the comptroller, when manufacturing is started, after negotiation, to set the price to be paid for each license plate, rather than each license plate or insignia. Requires that the price be determined from certain costs including the inmate maintenance cost per shift, rather than day; and a previously agreed upon, rather than approved, amount of profit for the work. Deletes existing Subsection (c) prohibiting the annual profit received by TDCJ from all contracts for the manufacturing of license plates or related manufacturing from being less than the profit received by the Texas Department of Corrections for manufacturing license plates for use in 1974.

SECTION 173. Amends Subchapter A, Chapter 504, Transportation Code, by adding Sections 504.008 and 504.009, as follows:

Sec. 504.008. REPLACEMENT OF LICENSE PLATE. (a) Authorizes the owner of a registered motor vehicle to obtain replacement license plates through the county assessor-collector by certifying that the replacement plates will not be used on any other vehicle owned or operated by the person making the statement; paying a fee of \$5 plus the fees required by Sections 502.356(a) and 502.360 for each set of replacement license plates, unless otherwise specified by law; and returning each replaced plate in the owner's possession.

(b) Provides that no fee is required for the replacement of specialized license plates issued under Section 504.202 (Veterans with Disabilities), 504.305 (Members of Texas National Guard, State Guard, or United States Armed Forces Reserves), 504.308 (Distinguished Flying Cross Medal Recipients), 504.315(c) (relating to specialty license plates for a person who was captured and incarcerated by an enemy of the United States during certain times), (e) (relating to specialty license plates for a recipient of a Congressional Medal of Honor award), or (f) (relating to specialty license plates for recipients of certain awards), or 504.515. Sets forth the fee for replacement of certain specialized license plates.

(c) Authorizes the owner of a vehicle issued license plates approved under Section 504.501(b) or 504.502(c) to obtain approval of another set of license plates as provided by Section 504.501 or 504.502, respectively. Provides that the fee for approval of replacement license plates is \$5.

(d) Prohibits replacement license plates from being issued except in compliance with this section.

(e) Requires a county assessor-collector to retain \$2.50 of each fee collected under this section and to report and send the remainder to TxDOT as provided by Section 502.060.

(f) Authorizes replacement license plates to be used in the registration year in which the plates are issued and during each succeeding year of the six-year period as prescribed by Section 502.059(b) if the registration insignia is properly displayed on the vehicle.

(g) Provides that Subsection (f) does not apply to the issuance of specialized license plates for limited distribution, including state official license plates, exempt plates for governmental entities, and temporary registration plates.

(h) Authorizes the owner of a vehicle listed in Section 502.059(f) or 504.011(d) to obtain replacement plates and a replacement registration insignia by paying a fee of \$5 plus the fees required by Sections 502.356(a) and 502.360(a).

Sec. 504.009. SPECIALTY LICENSE PLATES. (a) Requires TxDOT to prepare the designs and specifications of specialty license plates.

(b) Provides that any motor vehicle other than a vehicle manufactured for off-highway use only is eligible to be issued specialty license plates, provided that TxDOT is authorized to vary the design of a license plate to accommodate or reflect its use on a motor vehicle other than a passenger car or light truck.

(c) Requires that an application for specialty license plates be submitted in the manner specified by TxDOT, provided that if issuance of a specialty license plate is limited to particular persons or motor vehicles, the application is required to be accompanied by evidence satisfactory to TxDOT that the applicant or the applicant's vehicle is eligible.

(d) Provides that each fee described by this chapter is an annual fee, provided that TxDOT is authorized to prorate the fee for a specialty license plate fee on a monthly basis to align the license plate fee to the registration month for the motor vehicle for which the license plate was issued, and if a fee is prorated the allocation of the fee by this chapter to an account or fund is required to be prorated in proportion.

(e) Authorizes the executive director or the executive director's designee to refuse to issue a specialty license plate with a design or alphanumeric pattern that the executive director or designee considers potentially objectionable to one or more members of the public and the executive director or designee's refusal is prohibited from being overturned in the absence of an abuse of discretion.

(f) Provides that TxDOT is the exclusive owner of the design of each license plate.

(g) Requires TxDOT, for each specialty license plate that is issued by a county assessor-collector and for which TxDOT is allocated a portion of the fee for administrative costs, to credit 50 cents from its administrative costs to the county treasurer of the applicable county, who are required to credit the money to the general fund of the county to defray the costs to the county of administering this chapter.

(h) Requires that a replacement license plate of a specialty license plate be accompanied by an application for a replacement plate and the fee prescribed by Section 504.008.

(i) Requires the owner, if the owner of a motor vehicle for which a specialty license plate is issued disposes of the vehicle or for any reason ceases to be eligible for that specialty license plate, to return the specialty license plate to TxDOT.

(j) Prohibits a person who is issued a specialty license plate from transferring the plate to another person or vehicle unless TxDOT approves the transfer.

SECTION 174. Renumbers Section 504.003, Transportation Code, as Section 504.010, Transportation Code, and amends it as follows:

Sec. 504.010. SOUVENIR LICENSE PLATES. (a) Authorizes TxDOT to issue a souvenir version of any specialty license plate for any vehicle, rather than a motor vehicle including a motorcycle.

(b) and (c) Makes no changes to these subsections.

(d) Prohibits a souvenir license plate from being used on a motor vehicle, rather than a motor vehicle including a motorcycle, and is not an insignia of registration for a motor vehicle. Requires that each souvenir license plate be identified by TxDOT in a way that identifies it to law enforcement officers and others as a souvenir license plate.

(e) Authorizes a beneficiary of a specialty license plate issued under Subchapter G (Specialty License Plates for General Distribution) or I (Development of New Specialty License Plates), as designated by the applicable section of those subchapters, to purchase the specialty license plates, in minimum quantity amounts determined by TxDOT, rather than in boxes of 25, for use or resale by the beneficiary. Requires the beneficiary to pay the required fee per plate, less the amount of the fee that would be deposited to the credit of the designated account.

SECTION 175. Amends Subchapter A, Chapter 504, Transportation Code, by adding Section 504.011, as follows:

Sec. 504.011. ISSUANCE OF LICENSE PLATE. (a) Requires an applicant for motor vehicle registration, on payment of the prescribed fee, to be issued a license plate or set of plates.

(b) Requires TxDOT, subject to Subchapter I, to issue only one license plate or set of plates for a vehicle during a seven-year period.

(c) Requires TxDOT, on application and payment of the prescribed fee for a renewal of the registration of a vehicle for the first through the seventh year, to issue a registration insignia for the validation of the license plate or plates to be attached as provided by Chapter 502.

(d) Requires that the registration insignia for validation of a license plate be attached to the rear license plate of the vehicle, if the vehicle is a motorcycle; machinery used exclusively to drill water wells or construction machinery for which a distinguishing license plate has been issued under Section 502.146; or oil well servicing, oil clean out, or oil well drilling machinery or equipment for which a distinguishing license plate has been issued under Subchapter G, Chapter 623.

SECTION 176. Amends Section 504.101(a), Transportation Code, to require TxDOT to issue personalized license plates. Prohibits TxDOT from issuing more than one set of license plates with the same alphanumeric pattern. Authorizes all personalized license plates issued before January 1, 2013, to continue to be renewed in accordance with the law at the time of initial issuance.

SECTION 177. Amends Sections 504.201(b), (d), and (g), Transportation Code, as follows:

(b) Requires TxDOT to issue specialty license plates for a motor vehicle that has a gross vehicle weight of 18,000 pounds, or less, rather than a manufacturer's rated carrying capacity of two tons and is regularly operated for noncommercial use by or for the transportation of a person with a permanent disability.

(d) Provides that a written statement is not required as acceptable medical proof if certain conditions are met, including if the applicant executes a statement attesting to the person's disability before the county assessor-collector, rather than if the applicant and the county assessor collector processing the application executive an affidavit attesting to the person's disability.

(g) Entitles an eligible person, in addition to a license plate issued under this section, to be issued a set of the license plates for each motor vehicle owned by the person that has a gross vehicle weight of 18,000 pounds or less, rather than carrying capacity of two tons, and is equipped with special equipment that meets certain conditions.

SECTION 178. Amends Section 504.202(b), Transportation Code, to entitle a veteran of the United States armed forces to register, for the person's own use, two motor vehicles under this section if certain requirements are met, including if the motor vehicle has a gross vehicle weight of 18,000 pounds, rather than a manufacturer's rated carrying capacity of two tons or less.

SECTION 179. Amends Section 504.203(b), Transportation Code, to require that an application for license plates under this section be accompanied by a written statement acknowledged, rather than signed, by the administrator or manager of the institution, facility, or retirement community certifying that the institution, facility, or retirement community regularly transports, as a part of the services that the institution, facility, or retirement community provides, one or more eligible persons who reside in the institution, facility, or retirement community.

SECTION 180. Amends Section 504.3011, Transportation Code, as follows:

Sec. 504.3011. DESIGN OF CERTAIN LICENSE PLATES FOR THE MILITARY. Deletes existing Subsection (a) requiring that license plates issued under Section 504.303 at a minimum bear a color depiction of the emblem of the appropriate branch of the United States armed forces. Deletes existing Subsection (b) requiring that license plates issued under Section 504.308(a) or 504.315(e), (f), or (g) at a minimum bear a color depiction of the appropriate medal. Requires TxDOT to design military license plates that bear a color depiction of the emblem of the appropriate branch of the United States armed forces or a color depiction of the appropriate medal as provided by the United States Department of Defense, rather than requiring TxDOT to design license plates to which this section applies in consultation with veterans organizations. Makes a nonsubstantive change.

SECTION 181. Amends Section 504.315(d), Transportation Code, to require that the license plates include the words "Pearl Harbor Survivor," rather than to include certain words and be consecutively numbered.

SECTION 182. Amends Subchapter E, Chapter 504, Transportation Code, by adding Section 504.400, as follows:

Sec. 504.400. FEES FOR CERTAIN RESTRICTED PLATES. Requires TxDOT to issue, without charge, not more than three sets of specialty license plates under this subchapter.

SECTION 183. Amends Section 504.401(a), Transportation Code, to require TxDOT to issue specialty license plates that include the words "State Official" to a state official, rather than to issue without charge specialty license plates to a state official. Deletes existing text requiring that the license plates include the words "State Official."

SECTION 184. Amends Section 504.402(a), Transportation Code, to require TxDOT to issue specialty license plates to members of congress, rather than to issue without charge specialty license plates for members of congress, which are required to include the words "U.S. Congress." Deletes existing text requiring that license plates issued under this section include certain words.

SECTION 185. Amends Section 504.403(a), Transportation Code, to make a conforming change.

SECTION 186. Amends Section 504.403(d)(2), Transportation Code, to redefine "state judge."

SECTION 187. Amends Section 504.404, Transportation Code, as follows:

Sec. 504.404. FEDERAL ADMINISTRATIVE LAW JUDGES. Requires TxDOT to issue specialty license plates to current federal administrative law judges that bear the words "U.S. A. L. Judge," rather than requiring TxDOT to issue without charge specialty license plates for current federal administrative law judges. Deletes existing text requiring that the license plate bear certain words. Deletes existing Subsection (b)

authorizing a person to be issued three sets of license plates under this section. Makes a nonsubstantive change.

SECTION 188. Amends Section 504.405(a), Transportation Code, to make conforming changes.

SECTION 189. Amends Section 504.406, Transportation Code, to make conforming changes.

SECTION 190. Renumbers Section 504.412, Transportation Code, as Section 504.4061, Transportation Code, and amends it as follows:

Sec. 504.4061. FOREIGN ORGANIZATION VEHICLES. Requires TxDOT to issue specialty license plates for an instrumentality established by a foreign government recognized by the United States before January 1, 1979, that is without official representation or diplomatic relations with the United States. Requires that the license plates include the words "Foreign Organization." Deletes existing text requiring that the license plates remain valid for five years. Deletes existing Subsection (b) authorizing a person entitled to specialty license plates under this section to register the vehicle without payment of any fee paid for or at the time of registration. Makes a nonsubstantive change.

SECTION 191. Transfers Section 504.509, Transportation Code, to Subchapter E, Chapter 504, Transportation Code, renumbers it as Section 504.414, Transportation Code, and amends it as follows:

Sec. 504.414. VEHICLES CARRYING MOBILE AMATEUR RADIO EQUIPMENT. Makes no changes to this section.

SECTION 192. Amends the heading to Subchapter F, Chapter 504, Transportation Code, to read as follows:

SUBCHAPTER F. SPECIALTY LICENSE PLATES WITH RESTRICTED DISTRIBUTION
AND REGULAR LICENSE PLATE FEES

SECTION 193. Amends the heading to Section 504.501, Transportation Code, to read as follows:

Sec. 504.501. CLASSIC MOTOR VEHICLES AND TRAVEL TRAILERS.

SECTION 194. Amends Section 504.501(a), Transportation Code, to require TxDOT to issue specialty license plates for a motor vehicle that is at least 25 years old. Requires that the license plates include the word "Classic," rather than the words "Classic Auto," "Classic Motorcycle," or "Classic Truck," or a similar designation, as appropriate.

SECTION 195. Amends the heading to Section 504.502, Transportation Code, to read as follows:

Sec. 504.502. ANTIQUE VEHICLES; OFFENSE.

SECTION 196. Amends Sections 504.502(b) and (g), Transportation Code, as follows:

(b) Requires that the license plates include the words "Antique Vehicle," rather than the words "Antique Auto," "Antique Truck," "Antique Motorcycle," or "Military Vehicle," as appropriate.

(g) Authorizes a person entitled to specialty license plates or to TxDOT approval under this section to register the vehicle without payment of any fees paid for or at the time of registration except the fee for the license plate. Deletes existing text providing that an owner of a vehicle registered under this subsection who violates this section commits an offense; providing that an offense under this section is a misdemeanor punishable by a fine of not less than \$5 or more than \$200.

SECTION 197. Amends Section 504.503, Transportation Code, as follows:

Sec. 504.503. New heading: MUNICIPAL, MOTOR, AND PRIVATE BUSES. Requires TxDOT to issue without charge specialty license plates for municipal buses, motor buses, and private buses. Requires that the license plates include the words "City Bus," "Motor Bus," or "Private Bus," as appropriate. Deletes existing Subsection (b) defining "private bus."

SECTION 198. Amends the heading to Section 504.506, Transportation Code, to read as follows:

Sec. 504.506. LOG LOADER VEHICLES.

SECTION 199. Transfers Sections 504.407, 504.408, 504.409, 504.410, and 504.411, Transportation Code, to Subchapter F, Chapter 504, Transportation Code, and renumbers them as Sections 504.511, 504.512, 504.513, 504.514, and 504.515, Transportation Code, and amends them as follows:

Sec. 504.511. PEACE OFFICERS WOUNDED OR KILLED IN LINE OF DUTY. Makes no changes to this section.

Sec. 504.512. GOLD STAR MOTHER, SPOUSE, OR FAMILY MEMBER. Makes no changes to this section.

Sec. 504.513. VOLUNTEER FIREFIGHTERS. Makes no changes to this section.

Sec. 504.514. EMERGENCY MEDICAL SERVICES PERSONNEL. (a) Requires TxDOT to issue specialty license plates for emergency medical services personnel certified by the Department of State Health Services, rather than the Texas Department of Health, under Subchapter C (Licenses, Certification, and Qualifications), Chapter 773, Health and Safety Code.

(b) - (c) Makes no changes to these subsections.

Sec. 504.515. HONORARY CONSULS. Makes no changes to this section.

SECTION 200. Amends Subchapter F, Chapter 504, Transportation Code, by adding Section 504.516, as follows:

Sec. 504.516. RENTAL TRAILER OR TRAVEL TRAILER FEE: TRAILER OR SEMITRAILER. (a) Authorizes TxDOT to issue specially designed license plates for rental trailers and travel trailers that include, as appropriate, the words "rental trailer" or "travel trailer."

(b) Defines "rental fleet," "rental trailer," and "travel trailer."

SECTION 201. Amends Section 504.614(a), Transportation Code, to authorize a license plate to be issued under this section only for a professional sports team that certifies to TxDOT that the requirements of Section 504.702 (Specialty License Plates Authorized After January) are met; and plays its home games in a facility constructed or operated, in whole or in part, with public funds, rather than that TxDOT has determined that at least 3,500 persons will apply for the plates.

SECTION 202. Amends Section 504.615(a), Transportation Code, to authorize TxDOT to issue a license plate under this section only for a college that certifies to TxDOT that the requirements of Section 504.702 are met, rather than that it has determined that at least 1,500 persons will apply for the plates.

SECTION 203. Amends Section 504.616(a), Transportation Code, to require TxDOT to issue specialty license plates including the words "Texas Reads" that incorporate one or more submissions from middle school students in a competition conducted by TxDOT. Deletes

existing text requiring TxDOT to issue special license plates including certain words and to design the license plates to incorporate one or more submissions from middle school students in a competition conducted by TxDOT.

SECTION 204. Amends Section 504.647(a), Transportation Code, to require TxDOT to issue Fight Terrorism specialty license plates that include a pentagon-shaped border surrounding certain images or words. Deletes existing text requiring that the license plates include a pentagon-shaped border surrounding certain images or words.

SECTION 205. Transfers Section 504.413, Transportation Code, to Subchapter G, Chapter 504, Transportation Code, and renumbers it as Section 504.659, Transportation Code, to read as follows:

Sec. 504.659. MEMBERS OF AMERICAN LEGION. Makes no changes to this section.

SECTION 206. Amends Section 504.702, Transportation Code, by amending Subsection (b) and adding Subsections (e) and (f), as follows:

(b) Authorizes TxDOT to manufacture the specialty license plates only if a request for manufacture of the license plates is filed with TxDOT. Requires that the request be made in a manner prescribed, rather than on a form adopted, by TxDOT; filed before the fifth anniversary of the effective date of the law that authorizes the issuance of the specialty license plates; and accompanied by a deposit of \$8,000, rather than a deposit of \$8,000 or applications for issuance of at least 1,900 sets of the license plates plus the fees for issuance of that number of sets.

(e) Authorizes TxDOT to issue license plates under Section 504.614 (Professional Sports Team License Plates) for a particular professional sports team only if \$8,000 has been deposited with TxDOT for that sports team; or Section 504.615 (Collegiate License Plates) for a particular institution of higher education or private college or university only if \$8,000 has been deposited with TxDOT for that institution, college, or university.

(f) Requires that money deposited with TxDOT under Subsection (b)(3) or (e) be returned by TxDOT to the person who made the deposit after 800 sets of plates have been issued.

SECTION 207. Amends Sections 504.801(a) and (b), Transportation Code, as follows:

(a) Requires that the redesign of an existing specialty license plate at the request of a sponsor be treated like the issuance of a new specialty license plate, rather than be treated like the issuance of a new specialty license plate except that TxDOT is authorized require a lower deposit amount to reflect the actual costs of redesigning the license plate.

(b) Authorizes any nonprofit entity, rather than person, to submit an application to TxDOT to sponsor a new specialty license plate, rather than sponsor a new specialty license plate by submitting an application to TxDOT.

SECTION 208. Amends Section 504.851, Transportation Code, by amending Subsections (a), (b), (c), (d), (f), (g), and (h) and adding Subsection (n), as follows:

(a) Requires TxDOT to enter into a contract with the private vendor whose proposal is most advantageous to the state, as determined from competitive sealed proposals that satisfy the requirements of this section for the exclusive marketing and sale of souvenir or personalized license plates authorized by Section 504.101 (Personalized License Plates) with the exception that personalized plates issued before September 1, 2009, may be renewed in accordance with the law at that time; or for the marketing and sale of, with the agreement of the private vendor, other specialty license plates authorized by this subchapter. Makes a nonsubstantive change.

(b) Requires TTC, instead of the fees established by Section 504.101(c) (relating to the fee for issuance of a personalized license plate), by order, rather than by rule, to establish

fees for the issuance or renewal of personalized license or personalized souvenir plates that are marketed and sold by the private vendor.

(c) Requires TTC by order, rather than by rule, to establish standard fees, rather than the fees, for the issuance or renewal of souvenir license plates, specialty license plates, or souvenir or specialty license plates that are personalized that are marketed and sold by the private vendor.

(d) Authorizes specialty license or specialty personalized plates to be sold for varying periods, including a permanent sale that may be made through auction. Deletes existing text authorizing TTC at any time as necessary to comply with Subsection (b) or (c), to increase or decrease the amount of a fee established under the applicable subsection.

(f) Authorizes TxDOT to approve new design and color combinations for specialty or personalized license plates that are marketed and sold by a private vendor under a contract entered into with the private vendor.

(g) Provides that except as otherwise provided by this chapter, this subsection does not authorize a private vendor to market and sell a specialty license plate with a design or color combination that is issued as a license plate designed for a nonprofit organization. Deletes existing text authorizing TxDOT to approve new design and color combinations for specialty license plates authorized by this chapter, including specialty license plates that may be personalized, that are marketed and sold by a private vendor under a contract entered into with the private vendor; providing that each approved license plate design and color combination remains the property of TxDOT; providing that except as otherwise provided by this chapter, this subsection does not authorize TxDOT to approve a design or color combination for a specialty license plate that is inconsistent with the design or color combination specified for the license plate by the section of this chapter that authorizes the issuance of the specialty license plate; or the private vendor to market and sell a specialty license plate with a design or color combination that is inconsistent with the design or color combination specified by that section.

(h) Authorizes TxDOT, subject to the limitations provided by Subsection (g-1) (relating to prohibiting TxDOT from certain actions), rather than Subsections (g) and (g-1), to cancel a license plate or require the discontinuation of a license plate design or color combination that is marketed and sold by a private vendor under contract at any time if TxDOT determines that the cancellation or discontinuation is in the best interest of this state or the motoring public.

(n) Authorizes the program, if the vendor ceases operation, to be operated temporarily by TxDOT until another vendor is selected and commences operation.

SECTION 209. Amends Chapter 504, Transportation Code, by adding Subchapter K, as follows:

SUBCHAPTER K. TRANSFER AND REMOVAL OF LICENSE PLATES

SECTION 210. Transfers Section 502.451, Transportation Code, to Subchapter K, Chapter 504, Transportation Code, as added by this Act, renumbers it as Section 504.901, Transportation Code, and amends it as follows:

Sec. 504.901. New heading: TRANSFER AND REMOVAL OF LICENSE PLATES.

(a) Requires that on the sale or transfer of a motor vehicle each license plate issued for the motor vehicle be removed. Deletes existing text requiring the dealer, on the sale or transfer of a motor vehicle to a dealer, as defined by Section 503.001, who holds a general distinguishing number issued under Chapter 503, to remove each license plate and the registration insignia issued for the motor vehicle. Deletes existing Subsection (a-1) authorizing the seller or transferor, on a sale or transfer of a motor vehicle to a person that does not hold a general distinguishing number issued under Chapter 503, to remove each license plate and the registration insignia issued for the motor vehicle.

(b) Requires that a license plate removed from a motor vehicle under Subsection (a), rather than Subsection (a) or (a-1), be transferred to another motor vehicle that is titled in the seller's name, rather than be disposed of in the manner specified by TxDOT or transferred to a vehicle that is purchased by the seller, rather than another vehicle owned by the seller or transferor as provided by Section 502.452.

(c) Requires that to be eligible for transfer, license plates be appropriate for the class of vehicle to which the plates are being transferred. Requires the owner, if the vehicle is a different classification to pay the applicable title and vehicle registration fees; obtain a new registration insignia; and dispose of the license plates in the manner specified by TxDOT, or if the applicant fails to remove and transfer the license plates, purchase replacement license plates in accordance with this chapter. Deletes existing text requiring that the part of the registration period remaining at the time of the sale or transfer continue with the vehicle being sold or transferred and providing that it does not transfer with the license plates or registration validation insignia; requiring the purchaser or transferee that to continue the remainder of the registration period, to file the documents required under Section 520.031.

SECTION 211. Amends Chapter 504, Transportation Code, by adding Subchapter L, as follows:

SUBCHAPTER L. OFFENSES AND PENALTIES

Sec. 504.941. ANTIQUE VEHICLES; OFFENSE. (a) Provides that a person who violates Section 504.502 commits an offense. Provides that an offense under this section is a misdemeanor punishable by a fine of not less than \$5 or more than \$200.

(b) Provides that it is an affirmative defense to prosecution under this section that at the time of the offense the vehicle was en route to or from a location for the purpose of routine maintenance of the vehicle.

Sec. 504.942. LOG LOADER VEHICLES; PENALTIES. Provides that a vehicle operated in violation of Section 504.506 is considered to be operated or moved while unregistered and is immediately subject to the applicable fees and penalties prescribed by this chapter.

Sec. 504.943. OPERATION OF VEHICLE WITHOUT LICENSE PLATE. (a) Provides that a person commits an offense if the person operates on a public highway during a registration period a passenger car, as defined by Section 541.201 (Vehicles), or commercial motor vehicle that does not display two license plates issued by TxDOT and attached to the front and rear of the vehicle; or a road tractor, motorcycle, trailer, or semitrailer that does not display a license plate assigned by TxDOT and attached to the rear of the vehicle.

(b) Provides that Subsection (a) does not apply to a person who holds a general distinguishing number operating a vehicle as provided by law.

(c) Provides that an offense under this section is a misdemeanor punishable by a fine not to exceed \$200.

(d) Authorizes a court to dismiss a charge brought under Subsection (a) if the defendant remedies the defect before the defendant's first court appearance, and pays an administrative fee not to exceed \$10.

SECTION 212. Transfers Section 502.408, Transportation Code, to Subchapter L, Chapter 504, Transportation Code, as added by this Act, renumbers it as Section 504.944, Transportation Code, and amends it as follows:

Sec. 504.944. OPERATION OF VEHICLE WITH WRONG LICENSE PLATE. Makes a nonsubstantive change.

SECTION 213. Amends Subchapter L, Chapter 504, Transportation Code, as added by this Act, by adding Section 504.945, as follows:

Sec. 504.945. **WRONG, FICTITIOUS, ALTERED, OR OBSCURED LICENSE PLATE.** (a) Provides that person commits an offense if the person attaches to or displays on a motor vehicle a license plate that is

(1) issued for a different motor vehicle;

(2) is issued for the vehicle under any other motor vehicle law other than by TxDOT;

(3) is assigned for a registration period other than the registration period in effect;

(4) is fictitious;

(5) has blurring or reflective matter that significantly impairs the readability of the name of the state in which the vehicle is registered or the letters or numbers of the license plate number at any time;

(6) has an attached illuminated device or sticker, decal, emblem, or other insignia that is not authorized by law and that interferes with the readability of the letters or numbers of the license plate number or the name of the state in which the vehicle is registered; or

(7) has a coating, covering, protective substance, or other material that causes certain distortions or alterations to the visibility of the license.

(b) Provides that except as provided by Subsection (e), an offense under Subsection (a) is a misdemeanor punishable by a fine of not more than \$200, unless it is shown at the trial of the offense that the owner knowingly altered or made illegible the letters, numbers, and other identification marks, in which case the offense is a Class B misdemeanor.

(c) Prohibits Subsection (a)(7) from being construed to apply to a trailer hitch installed on a vehicle in a normal or customary manner; a transponder, as defined by Section 228.057 (Electronic Toll Collection), that is attached to a vehicle in the manner required by the issuing authority; a wheelchair lift or wheelchair carrier that is attached to a vehicle in a normal or customary manner; a trailer being towed by a vehicle; or a bicycle or motorcycle rack that is attached to a vehicle in a normal or customary manner.

(d) Authorizes a court to dismiss a charge brought under Subsection (a)(3), (5), (6), or (7) if the defendant remedies the defect before the defendant's first court appearance, and pays an administrative fee not to exceed \$10.

(e) Provides that an offense under Subsection (a)(4) is a Class B misdemeanor.

SECTION 214. Amends Subchapter A, Chapter 520, Transportation Code, by adding Sections 520.003 and 520.004, as follows:

Sec. 520.003. **RULES.** Authorizes TxDOT to adopt rules to administer this chapter.

Sec. 520.004. **DEPARTMENT RESPONSIBILITIES.** Provides that TxDOT has jurisdiction over the registration and titling of, and the issuance of license plates to, motor vehicles in compliance with the applicable statutes. Requires TxDOT to provide services that are reasonable, adequate, and efficient; to establish standards for service quality; and authorizes TxDOT to enter into an agreement with a person involved in the transaction processing, including a lienholder or an electronic verification service, only to facilitate

the processing of electronic title benefits so as to benefit this state and minimize inconveniences to the general public.

SECTION 215. Transfers Section 501.137, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, rennumbers it as Section 520.005, Transportation Code, and amends it as follows:

Sec. 520.005. DUTY OF COUNTY ASSESSOR-COLLECTOR. (a) Requires each county assessor-collector to comply with Chapter 501, rather than this chapter.

(b) Provides that an assessor-collector who fails or refuses to comply with Chapter 501, rather than this chapter, is liable on the assessor-collector's official bond for resulting damages suffered by any person.

SECTION 216. Transfers Section 502.109, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, rennumbers it as Section 520.006, Transportation Code, and amends it as follows:

Sec. 520.006. COMPENSATION OF ASSESSOR-COLLECTOR. (a) Requires a county assessor-collector to receive a fee of \$1.90 for each receipt issued under Chapter 502, rather than this chapter. Deletes existing text providing that if the assessor-collector is authorized to be compensated by fees, a fee received is compensation for services under this chapter and requiring the assessor-collector to deduct the fee weekly from the gross collections made under this chapter.

(b) Requires a county assessor-collector who is compensated under this section to pay the entire expense of issuing registration receipts and license plates under Chapter 501 or 502, rather than this chapter, from the compensation allowed under this section.

SECTION 217. Transfers Section 502.111, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, rennumbers it as Section 520.007, Transportation Code, and amends it as follows:

Sec. 520.007. New heading: COUNTY BRANCH OFFICES. Makes no changes to this section.

SECTION 218. Transfers Section 502.114, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, rennumbers it as Section 520.008, Transportation Code, and amends it as follows:

Sec. 520.008 . FULL-SERVICE DEPUTIES. (a) Requires a full-service deputy appointed under Section 520.0091, rather than Section 502.112, to accept any application for registration, registration renewal, or title transfer that the county assessor-collector may accept.

(b) and (c) Makes no changes to these subsections.

SECTION 219. Transfers Section 502.113, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, rennumbers it as Section 520.009, Transportation Code, and amends it as follows:

Sec. 520.009. LIMITED-SERVICE DEPUTIES. (a) Authorizes a limited-service deputy appointed under Section 520.0091, rather than Section 502.112, to only accept registration renewal cards provided by TxDOT and prohibits the deputy from preparing or accepting an application for title transfer.

(b) Authorizes the county assessor-collector to pay a limited-service deputy an amount not to exceed the fee the assessor-collector could collect under Section 520.006(a), rather than Section 502.109(a), for each registration receipt issued.

SECTION 220. Transfers Section 502.112, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, and renumbers it as Section 520.0091, Transportation Code, to read as follows:

Sec. 520.0091. DEPUTY ASSESSOR-COLLECTORS. Makes no changes to this section.

SECTION 221. Transfers Section 501.136, Transportation Code, to Subchapter A, Chapter 520, Transportation Code, renumbers it as Section 520.0092, Transportation Code, and amends it to read as follows:

Sec. 520.0092. ACTS BY DEPUTY COUNTY ASSESSOR-COLLECTOR. Authorizes a deputy county assessor-collector, other than a limited service deputy appointed under Section 520.0091, rather than Section 502.112, to perform the duties of an assessor-collector under Chapter 501, rather than this chapter.

SECTION 222. Renumbers Section 520.002, Transportation Code, as Section 520.0093, Transportation Code, and amends it as follows:

Sec. 520.0093. LEASE OF ADDITIONAL COMPUTER EQUIPMENT. (a) Provides that this section applies only to the lease of equipment, rather than the lease of equipment to a county, for the operation of the automated registration and titling system, rather than title system, in addition to the equipment provided by TxDOT at no cost to the county under a formula prescribed by TxDOT.

(b) - (e) Makes conforming changes.

SECTION 223. Amends the heading to Subchapter B, Chapter 520, Transportation Code, to read as follows:

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

SECTION 224. Amends Subchapter B, Chapter 520, Transportation Code, by adding Sections 520.024 and 520.025, as follows:

Sec. 520.024. REGISTRATION AND INSPECTION CONSOLIDATION STUDY. (a) Requires TxDOT and Department of Public Safety (DPS) to conduct a joint study on the feasibility of consolidation of the state's motor vehicle registration and compulsory inspection procedures in a manner that will allow completion of annual registration and compulsory inspection requirements as part of a single process. Requires that the study address recommendations for consolidating shared records and information; the manner in which registration and inspection fees collected will be distributed; oversight regarding implementation of the consolidated procedures; transition from the current separate procedures to the consolidated procedures; and other related issues TxDOT considers appropriate.

(b) Requires TxDOT to share the cost of the study in equal amounts.

Sec. 520.025. MERGER OR CONSOLIDATION OF SHARED INFORMATION STUDY. (a) Requires TxDOT and DPS to conduct a joint study on the merger or consolidation of similar information that is collected separately by each agency. Provides that the study should include the feasibility of establishing a database interface software system that sufficiently protects the privacy of the public, sufficiently protects the security and integrity of information provided, increases public convenience, is cost-effective, and improves the coordination of regulatory resources.

(b) Authorizes the implementing agencies to facilitate the implementation of the merger or consolidation, assist in the development of rules, and coordinate a testing phase.

SECTION 225. Transfers Section 520.036, Transportation Code, to Subchapter B, Chapter 520, Transportation Code, and renumbers it as Section 520.026, Transportation Code, to read as follows:

Sec. 520.026. GENERAL PENALTY. Makes no changes to this section.

SECTION 226. Amends Section 520.051(5), Transportation Code, to redefine "title service record."

SECTION 227. Amends Section 681.003(b), Transportation Code, to require that an application for a disabled parking placard be on a form furnished by TxDOT; submitted to the county assessor-collector of the county in which the person with the disability resides; accompanied by a fee of \$5 if the application is for a temporary placard.

SECTION 228. Repealer: Section 501.026 (Importer's Certificate), Transportation Code;

Repealer: Section 501.075 (Validity of Documents Not Notarized), Transportation Code;

Repealer: Section 501.076(f) (relating to providing that this section does not impair or impede the effective date of this section and the continuation of transfers), Transportation Code;

Repealer: Section 501.091(4) (relating to the definition of "export-only motor vehicle"), Transportation Code;

Repealer: Section 501.094 (Self-Insured Motor Vehicle), Transportation Code;

Repealer: Section 501.099 (Sale of Export-Only Motor Vehicles), Transportation Code;

Repealer: Section 501.133 (Issuance of New Certificate of Title Because of Subsequent Sales), Transportation Code;

Repealer: Section 501.134(e) (relating to a requirement that the owner of the vehicle, if the certificate of title is recovered, to surrender the certificate of title to TxDOT for cancellation) and (f) (relating to a prohibition against TxDOT from issuing a certificate of title before the fourth business day after the date the application is made), Transportation Code;

Repealer: Section 501.138(b-1) (relating to the requirement for depositing fees collected under Subsection (b) by the comptroller), Transportation Code;

Repealer: Sections 502.007 (Mopeds), Transportation Code;

Repealer: Section 502.0074 (Motorized Mobility Device), Transportation Code;

Repealer: Section 502.0075 (Electric Bikes), 502.008 (Release of Information in Vehicle Registration), Transportation Code;

Repealer: Section 502.104 (Disposition of Certain Special Fees), Transportation Code;

Repealer: Section 502.105 (Report of Fees Collected), Transportation Code;

Repealer: Section 502.1535 (Evidence of Vehicle Emissions Inspection), Transportation Code;

Repealer: Section 502.154 (Report by County Assessor-Collector), Transportation Code;

Repealer: Section 502.1585 (Designation of Registration Period By Owner), Transportation Code;

Repealer: Section 502.168 (Fee: Motor Bus), Transportation Code;

Repealer: Section 502.175 (Transfer Fee), Transportation Code;

Repealer: Section 502.177 (Minimum Registration Fee), Transportation Code;

Repealer: Section 502.187 (Parade Vehicles Owned by Nonprofit Service), Transportation Code;

Repealer: Section 502.206 (Registration of Certain Law Enforcement Vehicles Under Alias), Transportation Code;

Repealer: Section 502.271 (Texas Aerospace and Aviation License Plates), Transportation Code;

Repealer: Section 502.2862 (Electric Personal Assistive Mobility Devices), Transportation Code;

Repealer: Section 502.2971 (Federal Administrative Law Judges), Transportation Code;

Repealer: Section 502.403 (Operation of Vehicle Under Improper Registration), Transportation Code;

Repealer: Section 502.405 (Operation of Motorcycle Without Seal), Transportation Code;

Repealer: Section 502.407(c) (relating to the provision that an offense under this section is a misdemeanor punishable by a certain fine), Transportation Code;

Repealer: Section 502.412(c) (relating to the provision that an offense under this section is a misdemeanor punishable by a certain fine), Transportation Code;

Repealer: Section 502.452 (Transfer of Removed Plates), Transportation Code;

Repealer: 502.453 (Fees Required for Transfer of License Plate and Registration Insignia), Transportation Code;

Repealer: Section 502.455 (Application of Subchapter; Temporary); Transportation Code;

Repealer: Sections 504.401(b) (relating to authorizing a state official to be issued three sets of license plates), Transportation Code;

Repealer: Section 504.402(b) (relating to authorizing a person to be issued three sets of license plates), Transportation Code;

Repealer: Section 504.403(b) (relating to authorizing a person to be issued three sets of license plates), Transportation Code;

Repealer: Section 504.405(b) (relating to authorizing a person to be issued three sets of license plates), Transportation Code;

Repealer: Section 504.5011 (Classic Travel Trailers), Transportation Code;

Repealer: Section 504.502(j) (relating to the provision that it is an affirmative defense to prosecution of an offense under this section that at the time of the offense the vehicle was en route to or from a location for a certain purpose), Transportation Code;

Repealer: Section 504.506(f) (relating to the provision that a certain vehicle operated on a public highway while in violation of this section is considered to be operated or moved while unregistered and is subject to certain fees and penalties), Transportation Code;

Repealer: Section 504.507(c) (relating to the definition of "forestry vehicle"), Transportation Code;

Repealer: Section 504.508(d) (relating to the definition of "tow truck"), Transportation Code;

Repealer: Section 504.510 (Golf Cart License Plates), Transportation Code;

Repealer: Section 504.620 (Texans Conquer Cancer License Plates), Transportation Code;

Repealer: Section 504.624 (100th Football Season of Stephen F. Austin High School), Transportation Code;

Repealer: Section 504.629 (Texas PGA Junior Golf License Plates), Transportation Code;

Repealer: Section 504.634 (San Antonio Missions National Historical Park), Transportation Code;

Repealer: Section 504.643 (Star Day School Library Readers are Leaders License Plates), Transportation Code;

Repealer: Section 504.649 (Texas Juneteenth License Plates), Transportation Code;

Repealer: Section 504.650 (Keeping Texas Strong License Plates), Transportation Code;

Repealer: Section 504.653 (Mother-Child Survivors Educational Scholarship Fund License Plates), Transportation Code;

Repealer: Section 504.655 (Tejano Monument License Plates), Transportation Code;

Repealer: Section 504.701 (Discontinuance of Certain Specialty License Plates), Transportation Code;

Repealer: Section 504.702(c) (relating to the requirement that money deposited with TxDOT under Subsection (b)(3)(A) be returned to the person who made the deposit only under certain circumstances), Transportation Code;

Repealer: Section 504.801(h) (relating to authorizing TxDOT to vary the design of a license plate created under this section to accommodate or reflect its use on a motor vehicle other than a passenger car or light truck), Transportation Code;

Repealer: Sections 504.851(e) (relating to a portion of a contract with a private vendor) and (k) (relating to the requirement that TxDOT certify to the comptroller the estimate with certain information of all reasonable costs to TxDOT), Transportation Code;

Repealer: Sections 520.013 (Representation of Motor Number Receipt Required), Transportation Code; and

Repealer: Section 520.034 (Processing of Application; Rules), Transportation Code.

SECTION 229. (a) Provides that the change in law made by this Act applies only to an offense committed on or after January 1, 2013.

(b) Makes application of this Act prospective to January 1, 2013.

SECTION 230. Effective date, except as otherwise provided by this Act: January 1, 2013.