

By: Wentworth

S.B. No. 1616

A BILL TO BE ENTITLED

AN ACT

relating to the fees for certain license plates.

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

SECTION 1. Section 504.003, Transportation Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) If a [~~the~~] souvenir license plate issued before September 1, 2009, is personalized, the fee for the plate is \$40. Of the fee:

(1) \$20 shall be deposited to the credit of the state highway fund;

(2) \$10 shall be deposited to the credit of the designated account if the souvenir license plate is a replica of a specialty license plate issued under Subchapter G or I for which the fee is deposited to a designated account other than the state highway fund; and

(3) the remainder shall be deposited to the credit of the general revenue fund.

(c-1) The fee for a souvenir license plate issued on or after September 1, 2009, is the amount established under Section 504.851(c).

SECTION 2. Section 504.102, Transportation Code, is amended to read as follows:

Sec. 504.102. PERSONALIZATION OF [~~OTHER~~] SPECIALTY LICENSE

1 PLATE [~~PLATES~~]. Unless expressly prohibited by this chapter or
2 department rule, any specialty license plate issued under this
3 chapter may be personalized. If a [~~another~~] specialty license
4 plate is personalized, the fee for personalization of the specialty
5 license plate [~~established by Section 504.101(c)~~] shall be added to
6 the fee for issuance of that specialty license plate.

7 SECTION 3. Section 504.601, Transportation Code, is amended
8 to read as follows:

9 Sec. 504.601. GENERAL PROVISIONS APPLICABLE TO [~~ALL~~]
10 SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION. (a) Unless
11 expressly provided by this subchapter or department rule:

12 (1) the fee for issuance of a license plate under this
13 subchapter is \$30; and

14 (2) of each fee received under this subchapter, the
15 department shall use \$8 to defray its administrative costs in
16 complying with this subchapter.

17 (b) This section does not apply to a specialty license plate
18 marketed and sold by a private vendor at the request of the
19 specialty license plate sponsor under Section 504.6011.

20 SECTION 4. Subchapter G, Chapter 504, Transportation Code,
21 is amended by adding Section 504.6011 to read as follows:

22 Sec. 504.6011. GENERAL PROVISIONS APPLICABLE TO SPECIALTY
23 LICENSE PLATES FOR GENERAL DISTRIBUTION SOLD THROUGH PRIVATE
24 VENDOR. (a) The sponsor of a specialty license plate authorized
25 to be issued under this subchapter before September 1, 2009, may
26 contract with the private vendor authorized under Subchapter J for
27 the marketing and sale of the specialty license plate.

1 (b) The fee for issuance of a specialty license plate
2 described by Subsection (a) is the amount established under Section
3 504.851.

4 (c) Notwithstanding any other law, from each fee received
5 for the issuance of a specialty license plate described by
6 Subsection (a), the department shall:

7 (1) deduct the administrative costs described by
8 Section 504.601(a)(2);

9 (2) deposit to the credit of the account designated by
10 the law authorizing the specialty license plate the portion of the
11 fee for the sale of the plate that the state would ordinarily
12 receive under the contract described by Section 504.851(a); and

13 (3) pay to the private vendor the remainder of the fee.

14 SECTION 5. Section 504.801, Transportation Code, is amended
15 by amending Subsections (d), (e), and (f) and adding Subsection
16 (d-1) to read as follows:

17 (d) The fee for issuance of license plates created
18 [~~authorized~~] under this subchapter before September 1, 2009, is \$30
19 unless the department sets a higher fee. This subsection does not
20 apply to a specialty license plate marketed and sold by a private
21 vendor at the request of the specialty license plate sponsor.

22 (d-1) The fee for issuance of license plates created under
23 this subchapter on or after September 1, 2009, is the amount
24 established under Section 504.851.

25 (e) For each fee collected for a license plate issued by the
26 department under this section:

27 (1) \$8 shall be used to reimburse the department for

1 its administrative costs; and

2 (2) the remainder shall be deposited to the credit of:

3 (A) the specialty license plate fund, which is an
4 account in the general revenue fund, if the sponsor nominated a
5 state agency to receive the funds; or

6 (B) the state highway fund if the sponsor did not
7 nominate a state agency to receive the funds or if there is no
8 sponsor.

9 (f) Subchapter D, Chapter 316, Government Code, and Section
10 403.095, Government Code, do not apply to fees collected under this
11 subchapter [~~section~~].

12 SECTION 6. Subchapter I, Chapter 504, Transportation Code,
13 is amended by adding Section 504.802 to read as follows:

14 Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF
15 SPECIALTY LICENSE PLATES CREATED BEFORE SEPTEMBER 1, 2009. (a) A
16 sponsor of a specialty license plate created under this subchapter
17 before September 1, 2009, may contract with the private vendor
18 authorized under Subchapter J for the marketing and sale of the
19 specialty license plate.

20 (b) The fee for issuance of a specialty license plate
21 described by Subsection (a) is the amount established under Section
22 504.851(c).

23 (c) Notwithstanding any other law, from each fee received
24 from the issuance of a specialty license plate marketed and sold by
25 the private vendor under this section, the department shall:

26 (1) deduct the administrative costs described by
27 Section 504.801(e)(1);

1 (2) deposit the portion of the fee for the sale of the
2 plate that the state would ordinarily receive under the contract
3 described by Section 504.851(a) to the credit of:

4 (A) the specialty license plate fund, if the
5 sponsor nominated a state agency to receive the funds; or

6 (B) the general revenue fund, if the sponsor did
7 not nominate a state agency to receive the funds or if there is no
8 sponsor; and

9 (3) pay to the private vendor the remainder of the fee.

10 SECTION 7. Section 504.851, Transportation Code, is amended
11 by amending Subsections (a), (b), and (j) and adding Subsections
12 (a-1), (a-2), and (c-1) to read as follows:

13 (a) The department shall enter into a contract with the
14 private vendor whose proposal is most advantageous to the state, as
15 determined from competitive sealed proposals that satisfy the
16 requirements of this section, for the marketing and sale of:

17 (1) personalized license plates [~~authorized by~~
18 ~~Section 504.101~~]; or

19 (2) with the agreement of the private vendor, other
20 specialty license plates authorized by this chapter [~~subchapter~~].

21 (a-1) The department may not issue specialty, personalized,
22 or souvenir license plates with background colors other than white,
23 unless the plates are marketed and sold by the private vendor.

24 (a-2) Specialty license plates authorized for marketing and
25 sale under Subsection (a) must include:

26 (1) specialty license plates created under
27 Subchapters G and I on or after September 1, 2009; and

1 (2) at the request of the specialty license plate
2 sponsor, an existing specialty license plate created under
3 Subchapters G and I before September 1, 2009.

4 (b) The [~~Instead of the fees established by Section~~
5 ~~504.101(c), the~~] commission by rule shall establish fees for the
6 issuance or renewal of personalized license plates that are
7 marketed and sold by the private vendor. Fees must be reasonable
8 and not less than the greater of:

9 (1) the amounts necessary to allow the department to
10 recover all reasonable costs to the department associated with the
11 evaluation of the competitive sealed proposals received by the
12 department and with the implementation and enforcement of the
13 contract, including direct, indirect, and administrative costs; or

14 (2) the amount established by Section 504.853(b)
15 [~~504.101(c)~~].

16 (c-1) Subsections (b) and (c) do not apply to the sale at
17 auction of a license to display an alphanumeric pattern.

18 (j) From amounts received by the department under the
19 contract described by Subsection (a), the department shall deposit
20 to the credit of the state highway fund an amount sufficient to
21 enable the department to recover its administrative costs for all
22 license plates issued under this section, [~~including~~] any payments
23 to the vendor under the contract [~~Subsection (a)~~], and any other
24 amounts allocated by law to the state highway fund [~~by another law~~].
25 To the extent that the disposition of other amounts received by
26 [~~from~~] the department is [~~vendor are~~] governed by another law,
27 those amounts shall be deposited in accordance with the other law.

1 The fee~~[, and]~~ for each type of license plate issued under this
2 chapter ~~[the amount charged for the license plate]~~ may not be less
3 than the fee ~~[amount]~~ in effect on January 1, 2003. Any additional
4 amount received by ~~[from]~~ the department under the contract
5 ~~[vendor]~~ shall be deposited to the credit of the general revenue
6 fund.

7 SECTION 8. Subchapter J, Chapter 504, Transportation Code,
8 is amended by adding Sections 504.853 and 504.854 to read as
9 follows:

10 Sec. 504.853. PERSONALIZED LICENSE PLATES ISSUED BEFORE
11 SEPTEMBER 1, 2009. (a) A personalized license plate issued before
12 September 1, 2009, may be issued for a subsequent registration
13 period only if the applicant submits an application and pays the
14 required fee for the applicable registration period. A person who
15 is issued a personalized license plate has first priority on that
16 license plate for each subsequent registration period for which the
17 person submits a new application for that plate.

18 (b) The fee for issuance of a personalized license plate
19 issued before September 1, 2009, is \$40, unless the director adopts
20 by rule a higher fee.

21 (c) A person who is issued a personalized license plate by
22 the department before September 1, 2009, may:

23 (1) submit an application for the plate under
24 Subsection (a) and pay the required fee for each subsequent
25 registration period under Subsection (b); or

26 (2) purchase through the private vendor a license to
27 display the alphanumeric pattern on a license plate for any term

1 allowed by law.

2 (d) The department may not issue a replacement set of
3 personalized license plates to the same person before the sixth
4 anniversary of the date of issuance unless the applicant for
5 issuance of replacement plates pays an additional fee of \$30.

6 (e) Of each fee collected by the department under this
7 section:

8 (1) \$1.25 shall be used to defray the cost of
9 administering this section; and

10 (2) the remainder shall be deposited to the credit of
11 the general revenue fund.

12 Sec. 504.854. AUCTION. (a) The private vendor may sell at
13 auction a license to display a unique alphanumeric pattern on a
14 license plate.

15 (b) Only a license to display an alphanumeric pattern
16 purchased under this section or a license to display an
17 alphanumeric pattern sold by the private vendor under Section
18 504.853 may be transferred to another person. The transferee is
19 entitled to the same rights and privileges as the transferor.

20 (c) The transferee shall file a form prescribed by the
21 department to notify the department of the transfer. The
22 department may set a fee to be paid by the transferee to the
23 department for the transfer.

24 SECTION 9. The following provisions of the Transportation
25 Code are repealed:

26 (1) Section 504.101; and

27 (2) Subsection (m), Section 504.851.

1 SECTION 10. The changes in law made by this Act do not
2 require the rebidding of a contract that is in effect on the
3 effective date of this Act.

4 SECTION 11. This Act takes effect September 1, 2009.