

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.