

1-1 By: Wentworth S.B. No. 1616  
1-2 (In the Senate - Filed March 10, 2009; March 17, 2009, read  
1-3 first time and referred to Committee on Transportation and Homeland  
1-4 Security; April 20, 2009, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;  
1-6 April 20, 2009, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1616 By: Wentworth

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the fees for certain license plates.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 504.003, Transportation Code, is amended  
1-13 by amending Subsection (c) and adding Subsection (c-1) to read as  
1-14 follows:

1-15 (c) If a ~~the~~ souvenir license plate issued before  
1-16 September 1, 2009, is personalized, the fee for the plate is  
1-17 \$40. Of the fee:

1-18 (1) \$20 shall be deposited to the credit of the state  
1-19 highway fund;

1-20 (2) \$10 shall be deposited to the credit of the  
1-21 designated account if the souvenir license plate is a replica of a  
1-22 specialty license plate issued under Subchapter G or I for which the  
1-23 fee is deposited to a designated account other than the state  
1-24 highway fund; and

1-25 (3) the remainder shall be deposited to the credit of  
1-26 the general revenue fund.

1-27 (c-1) The fee for a souvenir license plate issued on or  
1-28 after September 1, 2009, is the amount established under Section  
1-29 504.851(c).

1-30 SECTION 2. Section 504.102, Transportation Code, is amended  
1-31 to read as follows:

1-32 Sec. 504.102. PERSONALIZATION OF ~~[OTHER]~~ SPECIALTY LICENSE  
1-33 PLATE [PLATES]. Unless expressly prohibited by this chapter or  
1-34 department rule, any specialty license plate issued under this  
1-35 chapter may be personalized. If a ~~another~~ specialty license  
1-36 plate is personalized, the fee for personalization of the specialty  
1-37 license plate [established by Section 504.101(c)] shall be added to  
1-38 the fee for issuance of that specialty license plate.

1-39 SECTION 3. Section 504.601, Transportation Code, is amended  
1-40 to read as follows:

1-41 Sec. 504.601. GENERAL PROVISIONS APPLICABLE TO ~~[ALL]~~  
1-42 SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION. (a) Unless  
1-43 expressly provided by this subchapter or department rule:

1-44 (1) the fee for issuance of a license plate under this  
1-45 subchapter is \$30; and

1-46 (2) of each fee received under this subchapter, the  
1-47 department shall use \$8 to defray its administrative costs in  
1-48 complying with this subchapter.

1-49 (b) This section does not apply to a specialty license plate  
1-50 marketed and sold by a private vendor at the request of the  
1-51 specialty license plate sponsor under Section 504.6011.

1-52 SECTION 4. Subchapter G, Chapter 504, Transportation Code,  
1-53 is amended by adding Section 504.6011 to read as follows:

1-54 Sec. 504.6011. GENERAL PROVISIONS APPLICABLE TO SPECIALTY  
1-55 LICENSE PLATES FOR GENERAL DISTRIBUTION SOLD THROUGH PRIVATE  
1-56 VENDOR. (a) The sponsor of a specialty license plate authorized  
1-57 to be issued under this subchapter before September 1, 2009, may  
1-58 contract with the private vendor authorized under Subchapter J for  
1-59 the marketing and sale of the specialty license plate.

1-60 (b) The fee for issuance of a specialty license plate  
1-61 described by Subsection (a) is the amount established under Section  
1-62 504.851.

1-63 (c) Notwithstanding any other law, from each fee received

2-1 for the issuance of a specialty license plate described by  
 2-2 Subsection (a), the department shall:

2-3 (1) deduct the administrative costs described by  
 2-4 Section 504.601(a)(2);

2-5 (2) deposit to the credit of the account designated by  
 2-6 the law authorizing the specialty license plate the portion of the  
 2-7 fee for the sale of the plate that the state would ordinarily  
 2-8 receive under the contract described by Section 504.851(a); and

2-9 (3) pay to the private vendor the remainder of the fee.

2-10 SECTION 5. Section 504.801, Transportation Code, is amended  
 2-11 by amending Subsections (d), (e), and (f) and adding Subsection  
 2-12 (d-1) to read as follows:

2-13 (d) The fee for issuance of license plates created  
 2-14 [authorized] under this subchapter before September 1, 2009, is \$30  
 2-15 unless the department sets a higher fee. This subsection does not  
 2-16 apply to a specialty license plate marketed and sold by a private  
 2-17 vendor at the request of the specialty license plate sponsor.

2-18 (d-1) The fee for issuance of license plates created under  
 2-19 this subchapter on or after September 1, 2009, is the amount  
 2-20 established under Section 504.851.

2-21 (e) For each fee collected for a license plate issued by the  
 2-22 department under this section:

2-23 (1) \$8 shall be used to reimburse the department for  
 2-24 its administrative costs; and

2-25 (2) the remainder shall be deposited to the credit of:

2-26 (A) the specialty license plate fund, which is an  
 2-27 account in the general revenue fund, if the sponsor nominated a  
 2-28 state agency to receive the funds; or

2-29 (B) the state highway fund if the sponsor did not  
 2-30 nominate a state agency to receive the funds or if there is no  
 2-31 sponsor.

2-32 (f) Subchapter D, Chapter 316, Government Code, and Section  
 2-33 403.095, Government Code, do not apply to fees collected under this  
 2-34 subchapter [section].

2-35 SECTION 6. Subchapter I, Chapter 504, Transportation Code,  
 2-36 is amended by adding Section 504.802 to read as follows:

2-37 Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF  
 2-38 SPECIALTY LICENSE PLATES CREATED BEFORE SEPTEMBER 1, 2009. (a) A  
 2-39 sponsor of a specialty license plate created under this subchapter  
 2-40 before September 1, 2009, may contract with the private vendor  
 2-41 authorized under Subchapter J for the marketing and sale of the  
 2-42 specialty license plate.

2-43 (b) The fee for issuance of a specialty license plate  
 2-44 described by Subsection (a) is the amount established under Section  
 2-45 504.851(c).

2-46 (c) Notwithstanding any other law, from each fee received  
 2-47 from the issuance of a specialty license plate marketed and sold by  
 2-48 the private vendor under this section, the department shall:

2-49 (1) deduct the administrative costs described by  
 2-50 Section 504.801(e)(1);

2-51 (2) deposit the portion of the fee for the sale of the  
 2-52 plate that the state would ordinarily receive under the contract  
 2-53 described by Section 504.851(a) to the credit of:

2-54 (A) the specialty license plate fund, if the  
 2-55 sponsor nominated a state agency to receive the funds; or

2-56 (B) the state highway fund, if the sponsor did  
 2-57 not nominate a state agency to receive the funds or if there is no  
 2-58 sponsor; and

2-59 (3) pay to the private vendor the remainder of the fee.

2-60 SECTION 7. Section 504.851, Transportation Code, is amended  
 2-61 by amending Subsections (a), (b), (c), (d), and (j) and adding  
 2-62 Subsections (a-1), (a-2), and (c-1) to read as follows:

2-63 (a) The department shall enter into a contract with the  
 2-64 private vendor whose proposal is most advantageous to the state, as  
 2-65 determined from competitive sealed proposals that satisfy the  
 2-66 requirements of this section, for the marketing and sale of:

2-67 (1) personalized license plates [authorized by  
 2-68 Section 504.101]; or

2-69 (2) with the agreement of the private vendor, other

3-1 specialty license plates authorized by this chapter [~~subchapter~~].  
3-2 (a-1) The department may not issue specialty, personalized,  
3-3 or souvenir license plates with background colors other than white,  
3-4 unless the plates are marketed and sold by the private vendor.  
3-5 (a-2) Specialty license plates authorized for marketing and  
3-6 sale under Subsection (a) must include:  
3-7 (1) specialty license plates created under  
3-8 Subchapters G and I on or after September 1, 2009; and  
3-9 (2) at the request of the specialty license plate  
3-10 sponsor, an existing specialty license plate created under  
3-11 Subchapters G and I before September 1, 2009.  
3-12 (b) The director [~~Instead of the fees established by Section~~  
3-13 ~~504.101(c), the commission]~~ by rule shall establish fees for the  
3-14 issuance or renewal of personalized license plates that are  
3-15 marketed and sold by the private vendor. Fees must be reasonable  
3-16 and not less than the greater of:  
3-17 (1) the amounts necessary to allow the department to  
3-18 recover all reasonable costs to the department associated with the  
3-19 evaluation of the competitive sealed proposals received by the  
3-20 department and with the implementation and enforcement of the  
3-21 contract, including direct, indirect, and administrative costs; or  
3-22 (2) the amount established by Section 504.853(b)  
3-23 [~~504.101(c)~~].  
3-24 (c) The director [~~commission~~] by rule shall establish the  
3-25 fees for the issuance or renewal of souvenir license plates,  
3-26 specialty license plates, or souvenir or specialty license plates  
3-27 that are personalized that are marketed and sold by the private  
3-28 vendor. Fees must be reasonable and not less than the amounts  
3-29 necessary to allow the department to recover all reasonable costs  
3-30 to the department associated with the evaluation of the competitive  
3-31 sealed proposals received by the department and with the  
3-32 implementation and enforcement of the contract, including direct,  
3-33 indirect, and administrative costs. A fee established under this  
3-34 subsection is in addition to:  
3-35 (1) the registration fee and any optional registration  
3-36 fee prescribed by this chapter for the vehicle for which specialty  
3-37 license plates are issued;  
3-38 (2) any additional fee prescribed by this subchapter  
3-39 for the issuance of specialty license plates for that vehicle; and  
3-40 (3) any additional fee prescribed by this subchapter  
3-41 for the issuance of personalized license plates for that vehicle.  
3-42 (c-1) Subsections (b) and (c) do not apply to the sale at  
3-43 auction of a license to display an alphanumeric pattern.  
3-44 (d) At any time as necessary to comply with Subsection (b)  
3-45 or (c), the director [~~commission~~] may increase [~~or decrease~~] the  
3-46 amount of a fee established under the applicable subsection.  
3-47 (j) From amounts received by the department under the  
3-48 contract described by Subsection (a), the department shall deposit  
3-49 to the credit of the state highway fund an amount sufficient to  
3-50 enable the department to recover its administrative costs for all  
3-51 license plates issued under this section, [including] any payments  
3-52 to the vendor under the contract [Subsection (a)], and any other  
3-53 amounts allocated by law to the state highway fund [by another law].  
3-54 To the extent that the disposition of other amounts received by  
3-55 [from] the department is [vendor are] governed by another law,  
3-56 those amounts shall be deposited in accordance with the other law.  
3-57 The fee[, and] for each type of license plate issued under this  
3-58 chapter [the amount charged for the license plate] may not be less  
3-59 than the fee [amount] in effect on January 1, 2003. Any additional  
3-60 amount received by [from] the department under the contract  
3-61 [vendor] shall be deposited to the credit of the state highway  
3-62 [general revenue] fund.  
3-63 SECTION 8. Subchapter J, Chapter 504, Transportation Code,  
3-64 is amended by adding Sections 504.853 and 504.854 to read as  
3-65 follows:  
3-66 Sec. 504.853. PERSONALIZED LICENSE PLATES ISSUED BEFORE  
3-67 SEPTEMBER 1, 2009. (a) A personalized license plate issued before  
3-68 September 1, 2009, may be issued for a subsequent registration  
3-69 period only if the applicant submits an application and pays the

4-1 required fee for the applicable registration period. A person who  
4-2 is issued a personalized license plate has first priority on that  
4-3 license plate for each subsequent registration period for which the  
4-4 person submits a new application for that plate.

4-5 (b) The fee for issuance of a personalized license plate  
4-6 issued before September 1, 2009, is \$40, unless the director adopts  
4-7 by rule a higher fee.

4-8 (c) A person who is issued a personalized license plate by  
4-9 the department before September 1, 2009, may:

4-10 (1) submit an application for the plate under  
4-11 Subsection (a) and pay the required fee for each subsequent  
4-12 registration period under Subsection (b); or

4-13 (2) purchase through the private vendor a license to  
4-14 display the alphanumeric pattern on a license plate for any term  
4-15 allowed by law.

4-16 (d) The department may not issue a replacement set of  
4-17 personalized license plates to the same person before the sixth  
4-18 anniversary of the date of issuance unless the applicant for  
4-19 issuance of replacement plates pays an additional fee of \$30.

4-20 (e) Of each fee collected by the department under this  
4-21 section:

4-22 (1) \$1.25 shall be used to defray the cost of  
4-23 administering this section; and

4-24 (2) the remainder shall be deposited to the credit of  
4-25 the general revenue fund.

4-26 Sec. 504.854. AUCTION. (a) The private vendor may sell at  
4-27 auction a license to display a unique alphanumeric pattern on a  
4-28 license plate.

4-29 (b) Only a license to display an alphanumeric pattern  
4-30 purchased under this section or a license to display an  
4-31 alphanumeric pattern sold by the private vendor under Section  
4-32 504.853 may be transferred to another person. The transferee is  
4-33 entitled to the same rights and privileges as the transferor.

4-34 (c) The transferee shall file a form prescribed by the  
4-35 department to notify the department of the transfer.

4-36 SECTION 9. The following provisions of the Transportation  
4-37 Code are repealed:

4-38 (1) Section 504.101; and

4-39 (2) Subsection (m), Section 504.851.

4-40 SECTION 10. The changes in law made by this Act do not  
4-41 require the rebidding of a contract that is in effect on the  
4-42 effective date of this Act.

4-43 SECTION 11. This Act takes effect September 1, 2009.

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