

House Bill 2854
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Subchapter E, Chapter 504, Transportation Code, is amended by adding Section 504.414 to read as follows:

Sec. 504.414. PROFESSIONAL FIREFIGHTER PLATES. (a) The professional firefighter plate may be issued to qualified firefighters. The sponsor of the plate may nominate a state agency for receipt of funds under Section 504.801(e)(2)(A).

(b) After deduction of the department's administrative costs in accordance with Section 504.801, the remainder of the fees from the sale of professional firefighter plates shall be deposited to the credit of an account in the state treasury to be used by the nominated state agency for the purpose of making grants to support the activities of an organization of professional firefighters located in this state that provides emergency relief and college scholarship funds to the professional firefighters and their dependents.

No equivalent provision.

SENATE VERSION

Same as House version.

CONFERENCE

SECTION __. 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

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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).

No equivalent provision.

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

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

No equivalent provision.

SECTION __. Section 504.601, Transportation Code, is amended to read as follows:

Sec. 504.601. GENERAL PROVISIONS APPLICABLE TO ~~[ALL]~~ SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION. (a)

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Unless expressly provided by this subchapter or department rule:

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

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

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

No equivalent provision.

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

Sec. 504.6011. GENERAL PROVISIONS

APPLICABLE TO SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION SOLD THROUGH PRIVATE VENDOR.

(a) The sponsor of a specialty license plate authorized to be issued under this subchapter before September 1, 2009, may contract with the private vendor authorized under Subchapter J for the marketing and sale of the specialty license plate.

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

(c) Notwithstanding any other law, from each fee received for the issuance of a specialty license plate

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described by Subsection (a), the department shall:
(1) deduct the administrative costs described by Section 504.601(a)(2);
(2) deposit to the credit of the account designated by the law authorizing the specialty license plate the portion of the fee for the sale of the plate that the state would ordinarily receive under the contract described by Section 504.851(a); and
(3) pay to the private vendor the remainder of the fee.

No equivalent provision.

SECTION __. Section 504.801, Transportation Code, is amended by amending Subsections (d), (e), and (f) and adding Subsection (d-1) to read as follows:
(d) The fee for issuance of license plates created [authorized] under this subchapter before September 1, 2009, is \$30 unless the department sets a higher fee. This subsection does not apply to a specialty license plate marketed and sold by a private vendor at the request of the specialty license plate sponsor.
(d-1) The fee for issuance of license plates created under this subchapter on or after September 1, 2009, is the amount established under Section 504.851.
(e) For each fee collected for a license plate issued by the department under this section:
(1) \$8 shall be used to reimburse the department for its administrative costs; and
(2) the remainder shall be deposited to the credit of:
(A) the specialty license plate fund, which is an account

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in the general revenue fund, if the sponsor nominated a state agency to receive the funds; or
(B) the state highway fund if the sponsor did not nominate a state agency to receive the funds or if there is no sponsor.
(f) Subchapter D, Chapter 316, Government Code, and Section 403.095, Government Code, do not apply to fees collected under this subchapter [~~section~~].

No equivalent provision.

SECTION __. Subchapter I, Chapter 504, Transportation Code, is amended by adding Section 504.802 to read as follows:
Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF SPECIALTY LICENSE PLATES CREATED BEFORE SEPTEMBER 1, 2009.
(a) A sponsor of a specialty license plate created under this subchapter before September 1, 2009, may contract with the private vendor authorized under Subchapter J for the marketing and sale of the specialty license plate.
(b) The fee for issuance of a specialty license plate described by Subsection (a) is the amount established under Section 504.851(c).
(c) Notwithstanding any other law, from each fee received from the issuance of a specialty license plate marketed and sold by the private vendor under this section, the department shall:
(1) deduct the administrative costs described by Section 504.801(e)(1);

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(2) deposit the portion of the fee for the sale of the plate that the state would ordinarily receive under the contract described by Section 504.851(a) to the credit of:
(A) the specialty license plate fund, if the sponsor nominated a state agency to receive the funds; or
(B) the general revenue fund, if the sponsor did not nominate a state agency to receive the funds or if there is no sponsor; and
(3) pay to the private vendor the remainder of the fee.

No equivalent provision.

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

(a) The department shall 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 marketing and sale of:

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

(2) with the agreement of the private vendor, other specialty license plates authorized by Subchapters G and I [~~this subchapter~~].

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

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

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

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

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

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

(2) the amount established by Section 504.853(b) [504.101(e)].

(c-1) Subsections (b) and (c) do not apply to the sale at auction of a specialty license plate that is not used on a motor vehicle.

(j) From amounts received by the department under the contract described by Subsection (a), the department shall deposit to the credit of the state highway fund an amount sufficient to enable the department to recover its administrative costs for all license plates issued under this section, [~~including~~] any payments to the vendor

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under the contract [~~Subsection (a)~~], and any other amounts allocated by law to the state highway fund [~~by another law~~]. To the extent that the disposition of other amounts received by [~~from~~] the department is [~~vendor are~~] governed by another law, those amounts shall be deposited in accordance with the other law [~~, and for each type of license plate the amount charged for the license plate may not be less than the amount in effect on January 1, 2003~~]. Any additional amount received by [~~from~~] the department under the contract [~~vendor~~] shall be deposited to the credit of the general revenue fund.

No equivalent provision.

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

Sec. 504.853. PERSONALIZED LICENSE PLATES ISSUED BEFORE SEPTEMBER 1, 2009. (a) A personalized license plate issued before September 1, 2009, may be issued for a subsequent registration period only if the applicant submits an application and pays the required fee for the applicable registration period. A person who is issued a personalized license plate has first priority on that license plate for each subsequent registration period for which the person submits a new application for that plate.
(b) The fee for issuance of a personalized license plate issued before September 1, 2009, is \$40, unless the director adopts by rule a higher fee.

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

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

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

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

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

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

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

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

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

(c) The transferee shall file a form prescribed by the

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department to notify the department of the transfer. The department may set a fee to be paid by the transferee to the department for the transfer.

No equivalent provision.

SECTION __. The following provisions of the Transportation Code are repealed:
(1) Section 504.101; and
(2) Subsection (m), Section 504.851.

No equivalent provision.

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

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

Same as House version.