

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

ARTICLE 1. TEXAS DEPARTMENT OF MOTOR VEHICLES

SECTION 1.01. Title 7, Transportation Code, is amended by adding Subtitle M to read as follows:

SUBTITLE M. DEPARTMENT OF MOTOR VEHICLES

CHAPTER 1001. ORGANIZATION OF DEPARTMENT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1001.001. DEFINITIONS. In this subtitle:

- (1) "Board" means the board of the department.
- (2) "Department" means the Texas Department of Motor Vehicles.

Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) The department is created as an agency of this state.

(b) In addition to the other duties required of the Texas Department of Motor Vehicles, the department shall administer and enforce:

- (1) Subtitle A;
- (2) Chapters 642, 643, 645, 646, and 648;
- (3) Chapters 2301 and 2302, Occupations Code; and
- (4) Article 4413(37), Revised Statutes.

Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department is composed of an executive director appointed by the board and other employees required to efficiently implement:

SENATE VERSION

Same as House version.

SECTION 1.01. Title 7, Transportation Code, is amended by adding Subtitle M to read as follows:

SUBTITLE M. DEPARTMENT OF MOTOR VEHICLES

CHAPTER 1001. ORGANIZATION OF DEPARTMENT

SUBCHAPTER A. GENERAL PROVISIONS

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(b) In addition to the other duties required of the Texas Department of Motor Vehicles, the department shall administer and enforce:

- (1) Subtitle A;
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Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department is composed of an executive director appointed by the board and other employees required to efficiently implement:

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

- (1) this subtitle;
- (2) other applicable vehicle laws of this state; and
- (3) other laws that grant jurisdiction to or are applicable to the department.

Sec. 1001.004. DIVISIONS. The board shall organize the department into divisions to accomplish the department's functions and the duties assigned to it, including divisions for:

- (1) administration;
- (2) motor carriers;
- (3) motor vehicles; and
- (4) vehicle titles and registration.

Sec. 1001.005. SUNSET PROVISION. The department is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2015.

[Sections 1001.006-1001.020 reserved for expansion]

SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

Sec. 1001.021. BOARD. (a) The board consists of nine

SENATE VERSION

- (1) this subtitle;
- (2) other applicable vehicle laws of this state; and
- (3) other laws that grant jurisdiction to or are applicable to the department.

Sec. 1001.004. DIVISIONS. The board shall organize the department into divisions to accomplish the department's functions and the duties assigned to it, including divisions for:

- (1) administration;
- (2) motor carriers;
- (3) motor vehicle board; and
- (4) vehicle titles and registration.

Sec. 1001.005. SUNSET PROVISION. The department is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2015.

Sec. 1001.006. DEFENSE BY ATTORNEY GENERAL. The attorney general shall defend an action brought against the board or the department or an action brought against an employee of the department as a result of the employee's official act or omission, regardless of whether at the time of the institution of the action that person has terminated service with the department.

[Sections 1001.007-1001.020 reserved for expansion]

SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

Sec. 1001.021. BOARD. (a) The board consists of nine

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

members appointed by the governor with the advice and consent of the senate.

Appointments to the board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

(b) Three members shall be appointed to represent motor vehicle dealers, one of whom must be a recreational vehicle dealer or a heavy-duty truck dealer; one member shall be appointed to represent county tax assessor-collectors; one member shall be appointed to represent the motor carrier industry; one member shall be appointed to represent law enforcement agencies; and three members shall be appointed to represent the general public. The member appointed to represent law enforcement agencies may not be a state employee.

(c) A person may not be a public member of the board if the person or the person's spouse:

- (1) is registered, certified, or licensed by the department;
- (2) is employed by or participates in the management of a business entity or other organization regulated by or receiving money from the department;
- (3) owns or controls, directly or indirectly, more than a 10 percent interest in a business entity or other organization regulated by or receiving money from the department; or

SENATE VERSION

members appointed by the governor with the advice and consent of the senate.

(e) Appointments to the board shall be made without regard to race, color, disability, sex, religion, age, or national origin of the appointees and shall reflect the diversity of the population of the state as a whole.

(b) Three members must be persons who hold a dealer's license issued under Chapter 2301, Occupations Code, of whom two must be franchised dealers of different classes and one must be an independent dealer; one member must be a representative of a manufacturer or distributor that holds a license issued under Chapter 2301, Occupations Code; one member must be a tax assessor-collector; one member must be a representative of a law enforcement agency of a county or municipality; and one member must be a representative of the motor carrier industry. The remaining members must be public members.

(c) Except as necessary to comply with Subsection (b), a person is not eligible for appointment as a member of the board if the person or the person's spouse:

- (1) is employed by or participates in the management of a business entity or other organization that is regulated by or receives funds from the department;
- (2) directly or indirectly owns or controls more than 10 percent interest in a business entity or other organization that is regulated by or receives funds from the department;

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(4) uses or receives a substantial amount of tangible goods, services, or money from the department other than compensation or reimbursement authorized by law for board membership, attendance, or expenses.

Sec. 1001.022. TERMS. Members of the board serve staggered six-year terms, with the terms of either one or two members expiring February 1 of each odd-numbered year.

Sec. 1001.023. **PRESIDING OFFICER OF BOARD.**

(a) The governor shall designate a member of the board as the **presiding officer of the board to serve in that capacity** at the pleasure of the **governor.**

(b) The presiding officer shall:

(1) preside over board meetings, make rulings on motions and points of order, and determine the order of business;

SENATE VERSION

(3) uses or receives a substantial amount of tangible goods, services, or funds from the department, other than compensation or reimbursement authorized by law for board membership, attendance, or expenses; or

(4) is registered, certified, or licensed by the department.

(d) A person required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the department may not serve as a member of the board.

(Subsection (e) moved above.)

Sec. 1001.022. TERMS. Members of the board serve staggered six-year terms, with the terms of either one or two members expiring February 1 of each odd-numbered year.

Sec. 1001.023. **CHAIR AND VICE CHAIR; DUTIES.**

(a) The governor shall appoint one of the board's members **chair of the board. The board shall elect one of its members vice chair of the board. A chair or vice chair serves at the pleasure of the board.**

(b) The chair shall:

(1) preside over board meetings, make rulings on motions and points of order, and determine the order of business;

(2) represent the department in dealing with the governor;

(3) report to the governor on the state of affairs of the department at least quarterly;

(4) report to the board the governor's suggestions for

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (2) create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole; and
- (3) appoint a member of the board to act in the presiding officer's absence.

Sec. 1001.024. BOARD MEETINGS. The board shall hold meetings at least quarterly **or** at the call of the presiding officer. Board members shall attend the meetings of the board. The presiding officer shall oversee the preparation of an agenda for each meeting and ensure that a copy is provided to each board member at least seven days before the meeting.

department operations:

(5) report to the governor on efforts, including legislative requirements, to maximize the efficiency of department operations through the use of private enterprise;

(6) periodically review the department's organizational structure and submit recommendations for structural changes to the governor, the board, and the Legislative Budget Board;

(7) designate one or more employees of the department as a civil rights division of the department and receive regular reports from the division on the department's efforts to comply with civil rights legislation and administrative rules;

(8) create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole;

(9) appoint a member of the board to act in the chair's absence; and

(10) serve as the departmental liaison with the governor and the Office of State-Federal Relations to maximize federal funding for transportation.

Sec. 1001.024. BOARD MEETINGS. The board shall hold **regular** meetings at least quarterly **and special meetings** at the call of the chair. Board members shall attend the meetings of the board. The chair shall oversee the preparation of an agenda for each meeting and ensure that a copy is provided to each board member at least seven days before the meeting.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Sec. 1001.025. COMPENSATION. A member of the board is **not** entitled to compensation.

but each member is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the board **as provided by the General Appropriations Act.**

Sec. 1001.026. GROUNDS FOR REMOVAL. (a) It is a ground for removal from the board that a board member:

- (1) does not have at the time of **taking office** the qualifications required by Section 1001.021;
- (2) does not maintain during service on the board the qualifications required by Section 1001.021;
- (3) **is ineligible for membership under Section 1001.021(c), 1001.031, or 1001.043;**

Sec. 1001.025. RECOMMENDATIONS TO LEGISLATURE. (a) The board shall consider ways in which the department's operations may be improved and may periodically report to the legislature concerning potential statutory changes that would improve the operation of the department.

(b) On behalf of the board, the chair shall report to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of relevant legislative committees on legislative recommendations adopted by the board and relating to the operation of the department.

Sec. 1001.026. COMPENSATION. A member of the board is entitled to compensation **as provided by the General Appropriations Act. If compensation for board members is not provided by that Act,** each member is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the board.

Sec. 1001.027. GROUNDS FOR REMOVAL. (a) It is a ground for removal from the board if a board member:

- (1) does not have **at the time of appointment**

or maintain during service on the board the qualifications required by Section 1001.021;

- (2) **violates a prohibition provided by Section 1001.021;**

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(4) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(5) is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a board member exists.

(c) If the executive director of the department has knowledge that a potential ground for removal exists, the executive director shall notify the presiding officer of the board of the **potential** ground.

The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the executive director shall notify **the next highest ranking officer of the board**, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Sec. 1001.027. TRAINING ON DEPARTMENT AND CERTAIN LAWS RELATING TO DEPARTMENT.

(a) A person who is appointed to and qualifies for office as a member of the board may not vote, deliberate, or be counted as a member in attendance at a meeting of the board until the person completes **a training program** that complies with this section.

(b) The training program must provide the person with

SENATE VERSION

(3) cannot discharge the member's duties for a substantial part of the term for which the member is appointed because of illness or disability; or

(4) is absent from more than half of the regularly scheduled board meetings that the board member is eligible to attend during a calendar year, unless the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a board member exists.

(c) If the executive director of the department knows that a potential ground for removal exists, the director shall notify the chair of the board of the ground, and

the chair shall notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal relates to the chair, the director shall notify **another board member**, who shall notify the governor and the attorney general that a potential ground for removal exists.

Sec. 1001.030. TRAINING ON DEPARTMENT AND CERTAIN LAWS RELATING TO DEPARTMENT.

(a) To be eligible to take office as a member of the board, a person appointed to the board must complete **at least one course of a training program** that complies with this section.

(b) The training program must provide information to

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

information regarding:

(1) the legislation that created the department;
(2) the programs, functions, rules, and budget of the department;

(3) the results of the most recent formal audit of the department;

(4) the requirements of laws relating to open meetings, public information, administrative procedure, and conflicts-of-interest; and

(5) any applicable ethics policies adopted by the department or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

Sec. 1001.028. TECHNOLOGICAL SOLUTIONS. The board shall implement a policy requiring the department to use appropriate technological solutions to improve the

SENATE VERSION

the person regarding:

(1) this subchapter;
(2) the programs operated by the department;
(3) the role and functions of the department;
(4) the rules of the department with an emphasis on the rules that relate to disciplinary and investigatory authority;
(5) the current budget for the department;

(6) the results of the most recent formal audit of the department;

(7) the requirements of the:

(A) open meetings law, Chapter 551, Government Code;

(B) open records law, Chapter 552, Government Code;

and

(C) administrative procedure law, Chapter 2001, Government Code;

(8) the requirements of the conflict of interest laws and other laws relating to public officials; and

(9) any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement for travel expenses incurred in attending the training program, as provided by the General Appropriations Act and as if the person were a member of the board.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

department's ability to perform its functions. The policy must ensure that the public is able to interact with the department on the Internet.

Sec. 1001.029. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE RESOLUTION PROCEDURES. (a) The board shall develop and implement a policy to encourage the use of:

(1) negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of department rules; and

(2) appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the department's jurisdiction.

(b) The department's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The board shall designate a trained person to:

(1) coordinate the implementation of the policy adopted under Subsection (a);

(2) serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

(3) collect data concerning the effectiveness of those procedures, as implemented by the department.

SENATE VERSION

CONFERENCE

(Sec. 1001.029 moved below.)

Sec. 1001.029. INFORMATION ON

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Sec. 1001.030. ADVISORY COMMITTEES. (a) The board shall establish separate advisory committees for the motor carrier, motor vehicles, and vehicle titles and registration divisions to make recommendations to the board or the executive director on the operation of the applicable division. A committee has the purposes, powers, and duties, including the manner of reporting its work, prescribed by the board. A committee and each committee member serves at the will of the board.

(b) The board shall appoint persons to each advisory committee who:

(1) are selected from a list provided by the executive director; and

(2) have knowledge about and interests in, and represent a broad range of viewpoints about, the work of the committee or applicable division.

(c) The advisory committee for the motor vehicles division must include a member to represent motor vehicle manufacturers and a member to represent the recreational vehicle industry.

(d) The advisory committee for the motor carrier division must include a member to represent the motor transportation industry.

QUALIFICATIONS AND CONDUCT. The department shall provide to the members of the board, as often as necessary, information concerning the members' qualifications for office and their responsibilities under applicable laws relating to standards of conduct for state officers.

Sec. 1001.031. ADVISORY COMMITTEES. (a) The board shall establish separate advisory committees for the motor carrier, motor vehicles, and vehicle titles and registration divisions to make recommendations to the board or the executive director on the operation of the applicable division. A committee has the purposes, powers, and duties, including the manner of reporting its work, prescribed by the board. A committee and each committee member serves at the will of the board.

(b) The board shall appoint persons to each advisory committee who:

(1) are selected from a list provided by the executive director; and

(2) have knowledge about and interests in, and represent a broad range of viewpoints about, the work of the committee or applicable division.

(c) The advisory committee for the motor vehicles division must include a member to represent motor vehicle manufacturers and a member to represent the recreational vehicle industry.

(d) The advisory committee for the motor carrier division must include a member to represent the motor transportation industry.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(e) A member of an advisory committee may not be compensated by the board or the department for committee service.

Sec. 1001.031. CONFLICTS OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a member of the board and may not be a department employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of motor dealers or motor carriers; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the motor vehicle or motor carrier industry or of a tax assessor-collector or law enforcement trade association.

(c) A person may not be a member of the board or act as the general counsel to the board or the department if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities

SENATE VERSION

(e) A member of an advisory committee may not be compensated by the board or the department for committee service.

Sec. 1001.028. CONFLICT OF INTEREST.

(a) A member of the board shall disclose in writing to the executive director if the member has an interest in a matter before the board or has a substantial financial interest in an entity that has a direct interest in the matter.

(b) The member shall recuse himself or herself from the board's deliberations and actions on the matter in Subsection (a) and may not participate in the board's decision on the matter.

(c) A person has a substantial financial interest in an entity if the person:

(1) is an employee, member, director, or officer of the entity; or

(2) owns or controls, directly or indirectly, more than a five percent interest in the entity.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

for compensation on behalf of a profession related to the operation of the department.

Sec. 1001.032. COOPERATION WITH TEXAS DEPARTMENT OF TRANSPORTATION. The board and the Texas Transportation Commission shall establish mutually agreeable procedures to ensure that the Texas Department of Transportation has access to information contained in the electronic database of vehicle titles and registrations as needed for toll operations and other functions of the Texas Department of Transportation.

[Sections 1001.033-1001.040 reserved for expansion]

SUBCHAPTER C. PERSONNEL

Sec. 1001.041. DIVISION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly separate the policymaking responsibilities of the board and the management responsibilities of the executive director and the staff of the department.

Sec. 1001.042. APPLICATION OF LAW RELATING

SENATE VERSION

[Sections 1001.032-1001.040 reserved for expansion]

SUBCHAPTER C. PERSONNEL

Sec. 1001.041. DEPARTMENT PERSONNEL. (a) Subject to the General Appropriations Act or other law, the executive director shall appoint deputies, assistants, and other personnel as necessary to carry out the powers and duties of the department under this code, other applicable vehicle laws of this state, and other laws granting jurisdiction or applicable to the department.

(b) A person appointed under this section must have the professional and administrative experience necessary to qualify the person for the position to which the person is appointed.

Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly define the respective responsibilities of the director and the staff of the department.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

TO ETHICAL CONDUCT. The board, the executive director, and each employee or agent of the department is subject to the code of ethics and the standard of conduct imposed by Chapter 572, Government Code, and any other law regulating the ethical conduct of state officers and employees.

Sec. 1001.043. LOBBYING ACTIVITIES. A person may not serve as the executive director or act as the general counsel to the department if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of an occupation related to the operation of the department.

SENATE VERSION

Sec. 1001.043. EQUAL EMPLOYMENT OPPORTUNITY POLICY; REPORT. (a) The executive director or the director's designee shall prepare and maintain a written policy statement to ensure implementation of a program of equal employment opportunity under which all personnel transactions are made without regard to race, color, disability, sex, religion, age, or national origin. The policy statement must include:

- (1) personnel policies, including policies relating to recruitment, evaluation, selection, appointment, training, and promotion of personnel that are in compliance with Chapter 21, Labor Code;
- (2) a comprehensive analysis of the department workforce that meets federal and state guidelines;
- (3) procedures by which a determination can be made of

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

significant underuse in the department workforce of all persons for whom federal or state guidelines encourage a more equitable balance; and
(4) reasonable methods to appropriately address those areas of significant underuse.
(b) A policy statement prepared under this section must:
(1) cover an annual period;
(2) be updated annually;
(3) be reviewed by the civil rights division of the Texas Workforce Commission for compliance with Subsection (a); and
(4) be filed with the governor.
(c) The governor shall deliver a biennial report to the legislature based on the information received under Subsection (b). The report may be made separately or as a part of other biennial reports made to the legislature.
Sec. 1001.044. QUALIFICATIONS AND STANDARDS OF CONDUCT. The executive director shall provide to department employees, as often as necessary, information regarding their:
(1) qualification for office or employment under this subtitle; and
(2) responsibilities under applicable laws relating to standards of conduct for state employees.
Sec. 1001.045. CAREER LADDER PROGRAM; PERFORMANCE EVALUATIONS. (a) The executive director or the director's designee shall develop an intra-agency career ladder program. The program must require intra-agency posting of all nonentry level

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

CHAPTER 1002. RULES

Sec. 1002.001. GENERAL RULEMAKING AUTHORITY. The board may adopt any rules necessary and appropriate to implement the powers and duties of the department under this code and other laws of this state.

positions concurrently with any public posting.

(b) The executive director or the director's designee shall develop a system of annual performance evaluations. All merit pay for department employees must be based on the system established under this subsection.

CHAPTER 1002. RULES

Sec. 1002.001. GENERAL RULEMAKING AUTHORITY. The board may adopt any rules necessary and appropriate to implement the powers and duties of the department under this code and other laws of this state.

Sec. 1002.002. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. The board may not adopt rules restricting advertising or competitive bidding by a person regulated by the department except to prohibit false, misleading, or deceptive practices by the person.

CHAPTER 1003. DEPARTMENT PROCEDURES

Sec. 1003.001. APPLICABILITY OF CERTAIN LAWS. Except as specifically provided by law, the department is subject to Chapters 2001 and 2002, Government Code.

Sec. 1003.002. SUMMARY PROCEDURES FOR ROUTINE MATTERS. (a) The board or the department by rule may:

- (1) create a summary procedure for routine matters; and
- (2) designate department activities that otherwise would be subject to Chapter 2001, Government Code, as routine matters to be handled under the summary procedure.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(b) An activity may be designated as a routine matter only if the activity is:

(1) voluminous;

(2) repetitive;

(3) believed to be noncontroversial; and

(4) of limited interest to anyone other than persons immediately involved in or affected by the proposed department action.

(c) The rules may establish procedures different from those contained in Chapter 2001, Government Code. The procedures must require, for each party directly involved, notice of a proposed negative action not later than the fifth day before the date the action is proposed to be taken.

(d) A rule adopted by the board under this section may provide for the delegation of authority to take action on a routine matter to a salaried employee of the department designated by the board.

Sec. 1003.003. REVIEW OF ACTION ON ROUTINE MATTER. (a) A person directly or indirectly affected by an action of the board or the department on a routine matter taken under the summary procedure adopted under Section 1003.002 is entitled to a review of the action under Chapter 2001, Government Code.

(b) The person must apply to the board not later than the 60th day after the date of the action to be entitled to the review.

(c) The timely filing of the application for review immediately stays the action pending a hearing on the

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

CHAPTER 1003. PUBLIC ACCESS

Sec. 1003.001. PUBLIC COMMENT. The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the department.

Sec. 1003.002. COMPLAINT PROCEDURES. (a) The department shall maintain a system to promptly and efficiently act on complaints filed with the department.

merits.

(d) The board may adopt rules relating to an application for review under this section and consideration of the application.

Sec. 1003.004. INFORMAL DISPOSITION OF CERTAIN CONTESTED CASES. The board or the department, as applicable, may, on written agreement or stipulation of each party and any intervenor, informally dispose of a contested case in accordance with Section 2001.056, Government Code, notwithstanding any provision of this code or other law that requires a hearing before the board or the department, as applicable.

CHAPTER 1004. PUBLIC ACCESS

Sec. 1004.001. ACCESS TO PROGRAMS AND FACILITIES. (a) The department shall prepare and maintain a written plan that describes how a person who does not speak English may be provided reasonable access to the department's programs.

(b) The department shall comply with federal and state laws for program and facility accessibility.

Sec. 1004.002. PUBLIC COMMENT. The board and the department shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board or the department and to speak on any issue under the jurisdiction of the board or the department.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

The department shall maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

(b) The department shall make information available describing its procedures for complaint investigation and resolution.

(c) The department shall periodically notify the complaint parties of the status of the complaint until final disposition.

SENATE VERSION

Sec. 1004.003. PUBLIC REPRESENTATION ON ADVISORY BODY. (a) At least one-half of the membership of each advisory body appointed by the board, other than an advisory body whose membership is determined by this code or by other law, must represent the general public.

(b) A public representative may not be:

(1) an officer, director, or employee of a business entity regulated by the department;

(2) a person required to register with the Texas Ethics Commission under Chapter 305, Government Code; or

(3) a person related within the second degree by affinity or consanguinity to a person described by Subdivision (1) or (2).

CHAPTER 1005. STANDARDS OF CONDUCT

Sec. 1005.001. APPLICATION OF LAW RELATING TO ETHICAL CONDUCT. The board, the executive director, and each employee or agent of the department is subject to the code of ethics and the standard of conduct

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

imposed by Chapter 572, Government Code, and any other law regulating the ethical conduct of state officers and employees.

ARTICLE 2. TRANSFER OF DUTIES AND FUNCTIONS OF THE TEXAS DEPARTMENT OF TRANSPORTATION

Same as House version.

PART A. GENERAL PROVISIONS AND ADMINISTRATION

Same as House version.

SECTION 2A.01. Section 201.202(a), Transportation Code, is amended to read as follows:

Same as House version.

(a) The commission shall organize the department into divisions to accomplish the department's functions and the duties assigned to it, including divisions for:

- (1) aviation;
- (2) highways and roads; and
- (3) public transportation[; ~~and~~
- ~~[(4) motor vehicle titles and registration].~~

No equivalent provision.

SECTION 2A.03. Subsection (c), Section 201.202, Transportation Code, is repealed.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 2A.02. Section 201.931(2), Transportation Code, is amended to read as follows:

(2) "License" includes:

(A) a permit issued by the department that authorizes the operation of a vehicle and its load or a combination of vehicles and load exceeding size or weight limitations; and

~~(B) [a motor carrier registration issued under Chapter 643;~~

~~[(C) a vehicle storage facility license issued under Chapter 2303, Occupations Code;~~

~~[(D)] a license or permit for outdoor advertising issued under Chapter 391 or 394[;~~

~~[(E) a salvage vehicle dealer or agent license issued under Chapter 2302, Occupations Code;~~

~~[(F) specially designated or specialized license plates issued under Subchapters E and F, Chapter 502; and~~

~~[(G) an apportioned registration issued according to the International Registration Plan under Section 502.054].~~

SECTION 2A.03. Section 222.001, Transportation Code, is amended to read as follows:

Sec. 222.001. USE OF STATE HIGHWAY FUND. (a) Money that is required to be used for public roadways by the Texas Constitution or federal law and that is deposited in the state treasury to the credit of the state highway fund, including money deposited to the credit of the state highway fund under Title 23, United States

SENATE VERSION

Same as House version.

No equivalent provision.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Code, may be used only:

- (1) to improve the state highway system;
- (2) to mitigate adverse environmental effects that result directly from construction or maintenance of a state highway by the department; or
- (3) by the Department of Public Safety to police the state highway system and to administer state laws relating to traffic and safety on public roads.

(b) For any state fiscal year, the Texas Department of Motor Vehicles may not be appropriated more than \$100 million from money in the state highway fund.

PART B. STATE HIGHWAY TOLL PROJECTS

Same as House version.

SECTION 2B.01. Sections 228.055(b) and (h), Transportation Code, are amended to read as follows:

Same as House version.

(b) The department may impose and collect the administrative fee, so as to recover the cost of collecting the unpaid toll, not to exceed \$100. The department shall send a written notice of nonpayment to the registered owner of the vehicle at that owner's address as shown in the vehicle registration records of the Texas Department of Motor Vehicles [~~department~~] by first class mail and may require payment not sooner than the 30th day after the date the notice was mailed. The registered owner shall pay a separate toll and administrative fee for each event of nonpayment under Section 228.054.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(h) In this section, "registered owner" means the owner of a vehicle as shown on the vehicle registration records of the Texas Department of Motor Vehicles [department] or the analogous department or agency of another state or country.

SECTION 2B.02. Section 228.056(b), Transportation Code, is amended to read as follows:

(b) In the prosecution of an offense under Section 228.055(c), (d), or (e):

(1) it is presumed that the notice of nonpayment was received on the fifth day after the date of mailing;

(2) a computer record of the Texas Department of Motor Vehicles [department] of the registered owner of the vehicle is prima facie evidence of its contents and that the defendant was the registered owner of the vehicle when the underlying event of nonpayment under Section 228.054 occurred; and

(3) a copy of the rental, lease, or other contract document covering the vehicle on the date of the underlying event of nonpayment under Section 228.054 is prima facie evidence of its contents and that the defendant was the lessee of the vehicle when the underlying event of nonpayment under Section 228.054 occurred.

Same as House version.

PART C. CAUSEWAYS, BRIDGES, TUNNELS,

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

TURNPIKES, FERRIES, AND HIGHWAYS IN
CERTAIN COUNTIES

SECTION 2C.01. Sections 284.0701(b), (e), and (h),
Transportation Code, are amended to read as follows:

(b) The county may impose and collect the
administrative cost so as to recover the expense of
collecting the unpaid toll, not to exceed \$100. The
county shall send a written notice of nonpayment to the
registered owner of the vehicle at that owner's address as
shown in the vehicle registration records of the Texas
Department of Motor Vehicles [~~department~~] by first-
class mail not later than the 30th day after the date of the
alleged failure to pay and may require payment not
sooner than the 30th day after the date the notice was
mailed. The registered owner shall pay a separate toll
and administrative cost for each event of nonpayment
under Section 284.070.

(e) It is an exception to the application of Subsection (a)
or (c) if the registered owner of the vehicle transferred
ownership of the vehicle to another person before the
event of nonpayment under Section 284.070 occurred,
submitted written notice of the transfer to the Texas
Department of Motor Vehicles [~~department~~] in
accordance with Section 520.023, and before the 30th
day after the date the notice of nonpayment is mailed,
provides to the county the name and address of the
person to whom the vehicle was transferred. If the

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

former owner of the vehicle provides the required information within the period prescribed, the county may send a notice of nonpayment to the person to whom ownership of the vehicle was transferred at the address provided by the former owner by first-class mail before the 30th day after the date of receipt of the required information from the former owner. The subsequent owner of the vehicle for which the proper toll was not paid who is mailed a written notice of nonpayment under this subsection and fails to pay the proper toll and administrative cost within the time specified by the notice of nonpayment commits an offense. The subsequent owner shall pay a separate toll and administrative cost for each event of nonpayment under Section 284.070. Each failure to pay a toll or administrative cost under this subsection is a separate offense.

(h) In this section, "registered owner" means the owner of a vehicle as shown on the vehicle registration records of the Texas Department of Motor Vehicles ~~[department]~~ or the analogous department or agency of another state or country.

PART D. CERTIFICATE OF TITLE ACT

Same as House version.

SECTION 2D.01. Section 501.002(3), Transportation Code, is amended to read as follows:

Same as House version.

SENATE VERSION

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

SECTION 2D.02. Section 501.091, Transportation Code, is amended by amending Subdivision (17) and adding Subdivision (20) to read as follows:

(17) "Salvage vehicle dealer" means a person engaged in this state in the business of acquiring, selling, [~~dismantling,~~] repairing, rebuilding, reconstructing, or otherwise dealing in nonrepairable motor vehicles or [~~]~~ salvage motor vehicles [~~, or used parts~~].

The term does not include a person who casually repairs, rebuilds, or reconstructs fewer than five [~~three~~] salvage motor vehicles in the same calendar year or a person who deals in used automotive parts.

The term includes a person engaged in the business of:

(A) a salvage vehicle dealer, regardless of whether the person holds a license issued by the department to engage in that business; or

(B) dealing in nonrepairable motor vehicles or salvage motor vehicles [~~, regardless of whether the person deals in used parts; or~~];

~~[(C) dealing in used parts regardless of whether the person deals in nonrepairable motor vehicles or salvage motor vehicles].~~

SENATE VERSION

SECTION 4.08. Section 501.091, Transportation Code, is amended by amending Subdivision (17) and adding Subdivision (20) to read as follows:

(17) "Salvage vehicle dealer" means a person engaged in this state in the business of acquiring, selling, [~~dismantling,~~] repairing, rebuilding, reconstructing, or otherwise dealing in nonrepairable motor vehicles, salvage motor vehicles, or, if incidental to a salvage motor vehicle dealer's primary business, used automotive parts. The term does not include a person who casually repairs, rebuilds, or reconstructs fewer than five [~~three~~] salvage motor vehicles in the same calendar year or, except as provided by Paragraph (C), a used automotive parts recycler.

The term includes a person engaged in the business of:

(A) a salvage vehicle dealer, regardless of whether the person holds a license issued by the department to engage in that business;

(B) dealing in nonrepairable motor vehicles or salvage motor vehicles [~~, regardless of whether the person deals in used parts]; or~~

(C) a used automotive parts recycler if the sale of repaired, rebuilt, or reconstructed nonrepairable motor vehicles or salvage motor vehicles is more than an incidental part of the used automotive parts recycler's

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(20) "Used parts dealer" and "used automotive parts recycler" have the meaning assigned to "used automotive parts recycler" by Section 2309.002, Occupations Code.

SECTION 2D.03. Section 501.092(d), Transportation Code, is amended to read as follows:

(d) An insurance company may sell a motor vehicle to which this section applies, or assign a salvage vehicle title or a nonrepairable vehicle title for the motor vehicle, only to a salvage vehicle dealer, an out-of-state buyer, a buyer in a casual sale at auction, ~~or~~ a metal recycler, or a used automotive parts recycler. If the motor vehicle is not a salvage motor vehicle or a nonrepairable motor vehicle, the insurance company is not required to surrender the regular certificate of title for the vehicle or to be issued a salvage vehicle title or a nonrepairable vehicle title for the motor vehicle.

SECTION 2D.04. Sections 501.095(a) and (b), Transportation Code, are amended to read as follows:

(a) If the department has not issued a nonrepairable vehicle title or salvage vehicle title for the motor vehicle and an out-of-state ownership document for the motor vehicle has not been issued by another state or

SENATE VERSION

business [~~dealing in used parts regardless of whether the person deals in nonrepairable motor vehicles or salvage motor vehicles~~].

(20) "Used parts dealer" and "used automotive parts recycler" have the meaning assigned to "used automotive parts recycler" by Section 2309.002, Occupations Code.

SECTION 4.09. Same as House version.

SECTION 4.10. Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

jurisdiction, a business or governmental entity described by Subdivisions (1)-(3) may sell, transfer, or release a nonrepairable motor vehicle or salvage motor vehicle only to a person who is:

- (1) a licensed salvage vehicle dealer, a used automotive parts recycler under Chapter 2309, Occupations Code, or a metal recycler under Chapter 2302, Occupations Code;
- (2) an insurance company that has paid a claim on the nonrepairable or salvage motor vehicle;
- (3) a governmental entity; or
- (4) an out-of-state buyer.

(b) A person, other than a salvage vehicle dealer, a used automotive parts recycler, 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, salvage vehicle title, or a comparable ownership document issued by another state or jurisdiction shall, before selling the motor vehicle, surrender the properly assigned certificate of title for the motor vehicle to the department and apply to the department for:

- (1) a nonrepairable vehicle title if the vehicle is a nonrepairable motor vehicle; or
- (2) a salvage vehicle title if the vehicle is a salvage motor vehicle.

SECTION 2D.05. Section 501.105, Transportation Code, is amended to read as follows:

SENATE VERSION

SECTION 4.11. Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 501.105. RETENTION OF RECORDS RELATING TO CERTAIN CASUAL SALES. Each licensed salvage vehicle dealer, used automotive parts recycler, or insurance company that sells a nonrepairable motor vehicle or a salvage motor vehicle at a casual sale shall keep on the business premises of the dealer or the insurance company a list of all casual sales made during the preceding 36-month period that contains:

- (1) the date of the sale;
- (2) the name of the purchaser;
- (3) the name of the jurisdiction that issued the identification document provided by the purchaser, as shown on the document; and
- (4) the vehicle identification number.

PART E. REGISTRATION OF VEHICLES

SECTION 2E.01. Section 502.001(3), Transportation Code, is amended to read as follows:

- (3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

SENATE VERSION

Same as House version.

SECTION 2E.01. Section 502.001, Transportation Code, is amended by adding Subdivision (1-a) and amending Subdivision (3) to read as follows:

(1-a) "Board" means the board of the Texas Department of Motor Vehicles.

- (3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

No equivalent provision.

SECTION 2E.02. Sections 502.053(a) and (b), Transportation Code, are amended to read as follows:
(a) The department [~~Texas Department of Transportation~~] shall reimburse the Texas Department of Criminal Justice for the cost of manufacturing license plates or registration insignia as the license plates or insignia and the invoice for the license plates or insignia are delivered to the department [~~Texas Department of Transportation~~].
(b) When manufacturing is started, the Texas Department of Criminal Justice, the department [~~Texas~~

SENATE VERSION

SECTION 2E.02. Section 502.051, Transportation Code, is amended to read as follows:
Sec. 502.051. DEPOSIT OF REGISTRATION FEES IN STATE HIGHWAY FUND. Except as otherwise provided by this chapter, the board [~~Texas Transportation Commission~~] and the department shall deposit all money received from registration fees in the state treasury to the credit of the state highway fund.

SECTION 2E.03. Section 502.052(a), Transportation Code, is amended to read as follows:
(a) The department shall prepare the designs and specifications of license plates and devices selected by the board [~~Texas Transportation Commission~~] to be used as the registration insignia.

SECTION 2E.04. Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

~~Department of Transportation~~, and the comptroller, after negotiation, shall set the price to be paid for each license plate or insignia. The price must be determined from:

- (1) the cost of metal, paint, and other materials purchased;
- (2) the inmate maintenance cost per day;
- (3) overhead expenses;
- (4) miscellaneous charges; and
- (5) a previously approved amount of profit for the work.

SECTION 2E.03. Section 504.401(c), Transportation Code, is amended to read as follows:

(c) The license plates remain valid until December 31 of the ~~each~~ year in which the person to whom the plates were issued ceases to be a state official.

No equivalent provision.

SECTION 2E.04. The heading to Section 504.401, Transportation Code, is amended to read as follows:

Sec. 504.401. STATE OFFICIALS: EXECUTIVE AND LEGISLATIVE BRANCHES.

No equivalent provision.

SECTION 2E.05. Sections 504.401(b) and (d), Transportation Code, are amended to read as follows:

(b) A state official may be issued four ~~three~~ sets of license plates under this section.

(d) In this section, "state official" means:

No equivalent provision.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (1) a member of the legislature;
- (2) the governor;
- (3) the lieutenant governor;
- (4) ~~a justice of the supreme court;~~
- ~~(5) a judge of the court of criminal appeals;~~
- ~~(6)~~ the attorney general;
- ~~(5)~~ ~~(7)~~ the commissioner of the General Land Office;
- ~~(6)~~ ~~(8)~~ the comptroller;
- ~~(7)~~ ~~(9)~~ a member of the Railroad Commission of Texas;
- ~~(8)~~ ~~(10)~~ the commissioner of agriculture;
- ~~(9)~~ ~~(11)~~ the secretary of state; or
- ~~(10)~~ ~~(12)~~ a member of the State Board of Education.

SECTION 2E.06. The heading to Section 504.402, Transportation Code, is amended to read as follows:
Sec. 504.402. FEDERAL OFFICIALS: LEGISLATIVE BRANCH ~~MEMBERS OF CONGRESS~~.

No equivalent provision.

SECTION 2E.07. Section 504.402(b), Transportation Code, is amended to read as follows:

No equivalent provision.

(b) A person may be issued four ~~three~~ sets of license plates under this section.

SECTION 2E.08. The heading to Section 504.403, Transportation Code, is amended to read as follows:

No equivalent provision.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Sec. 504.403. STATE OFFICIALS: JUDICIAL BRANCH [AND FEDERAL JUDGES].

SECTION 2E.09. Sections 504.403(a) and (d), Transportation Code, are amended to read as follows:

(a) The department shall issue without charge specialty license plates for a current [~~or visiting~~] state [~~or federal~~] judge. The license plates must include the words "State Judge" [~~or "U.S. Judge," as appropriate~~].

(d) In this section, [:

~~(1) "Federal judge" means:~~

~~[(A) a judge of the Fifth Circuit Court of Appeals;~~

~~[(B) a judge or magistrate of a United States district court; or~~

~~[(C) a judge of a United States bankruptcy court.~~

~~(2) "state [State] judge" means:~~

~~(1) [(A)] a justice of the supreme court;~~

~~(2) [(B)] a judge of the court of criminal appeals;~~

~~(3) [(C)] a judge of a court of appeals;~~

~~(4) [(D)] a district court judge;~~

~~(5) [(E)] a presiding judge of an administrative judicial district; or~~

~~(6) [(F)] a statutory county court judge.~~

SECTION 2E.10. Subchapter E, Chapter 504, Transportation Code, is amended by adding Section 504.4031 to read as follows:

No equivalent provision.

No equivalent provision.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 504.4031. FEDERAL OFFICIALS: JUDICIAL BRANCH. (a) The department shall issue without charge specialty license plates for a current federal judge. The license plates must include the words "U.S. Judge."
(b) A person may be issued three sets of plates under this section.
(c) The license plates remain valid until December 31 of each year.
(d) In this section, "federal judge" means:
(1) a justice of the United States Supreme Court whose primary residence is in Texas;
(2) a judge of the Fifth Circuit Court of Appeals; or
(3) a judge of a United States District Court.

SECTION 2E.11. (a) Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.659 to read as follows:

Sec. 504.659. CHOOSE LIFE LICENSE PLATES AND CHOOSE ADOPTION LICENSE PLATES. (a) The department shall issue specially designed license plates that include the words "Choose Life" and "Choose Adoption." The department shall design the license plates in consultation with the attorney general.
(b) After deduction of the department's administrative costs, the department shall deposit the remainder of the fee for issuance of license plates under this section in the state treasury to the credit of the Choose Life and Choose Adoption account established by Section 402.035,

SENATE VERSION

No equivalent provision.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Government Code.

(b) Subchapter B, Chapter 402, Government Code, is amended by adding Sections 402.035 and 402.036 to read as follows:

Sec. 402.035. CHOOSE LIFE AND CHOOSE ADOPTION ACCOUNT. (a) The Choose Life and Choose Adoption account is a separate account in the general revenue fund. The account is composed of:

(1) money deposited to the credit of the account under Section 504.659, Transportation Code; and

(2) gifts, grants, donations, and legislative appropriations.

(b) The attorney general administers the Choose Life and Choose Adoption account. The attorney general may spend money credited to the account only to:

(1) make grants to an eligible organization; and

(2) defray the cost of administering the account.

(c) The attorney general may not discriminate against an eligible organization because it is a religious or nonreligious organization.

(d) The attorney general may accept gifts, donations, and grants from any source for the benefit of the account.

(e) The attorney general by rule shall establish:

(1) guidelines for the expenditure of money credited to the Choose Life and Choose Adoption account; and

(2) reporting and other mechanisms necessary to ensure that the money is spent in accordance with this section.

(f) Money received by an eligible organization under this section may be spent only to provide for the material

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

needs of pregnant women who are considering placing their children for adoption, including the provision of clothing, housing, prenatal care, food, utilities, and transportation, to provide for the needs of infants who are awaiting placement with adoptive parents, to provide training and advertising relating to adoption, and to provide pregnancy testing or preadoption or postadoption counseling, but may not be used to pay an administrative, legal, or capital expense.

(g) In this section, "eligible organization" means an organization in this state that:

(1) qualifies as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986;

(2) provides counseling and material assistance to pregnant women who are considering placing their children for adoption;

(3) does not charge for services provided;

(4) does not provide abortions or abortion-related services or make referrals to abortion providers;

(5) is not affiliated with an organization that provides abortions or abortion-related services or makes referrals to abortion providers; and

(6) does not contract with an organization that provides abortions or abortion-related services or makes referrals to abortion providers.

Sec. 402.036. CHOOSE LIFE AND CHOOSE ADOPTION ADVISORY COMMITTEE. (a) The attorney general shall appoint a seven-member Choose Life and Choose Adoption advisory committee.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(b) The committee shall:

(1) meet at least twice a year or as called by the attorney general;

(2) assist the attorney general in developing rules under Section 402.035(e); and

(3) review and make recommendations to the attorney general on applications submitted to the attorney general for grants funded with money credited to the Choose Life and Choose Adoption account.

(c) Members of the committee serve without compensation and are not entitled to reimbursement for expenses. Each member serves a term of four years, with the terms of three or four members expiring on January 31 of each odd-numbered year.

No equivalent provision.

No equivalent provision.

SENATE VERSION

CONFERENCE

SECTION 2E.05. Section 502.1515, Transportation Code, is amended to read as follows:

Sec. 502.1515. OUTSOURCING PRODUCTION OF RENEWAL NOTICES; PAID ADVERTISING. The board [~~commission~~] may authorize the department to enter into a contract with a private vendor to produce and distribute motor vehicle registration renewal notices. The contract may provide for the inclusion of paid advertising in the registration renewal notice packet.

SECTION 2E.06. Section 502.352(c), Transportation Code, is amended to read as follows:

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (c) A person may obtain a permit under this section by:
- (1) applying to the county assessor-collector, the department, or the department's wire service agent, if the department has a wire service agent;
 - (2) paying a fee of \$25 for a 72-hour permit or \$50 for a 144-hour permit:
 - (A) in cash;
 - (B) by postal money order;
 - (C) by certified check;
 - (D) by wire transfer through the department's wire service agent, if any;
 - (E) by an escrow account; or
 - (F) where the service is provided, by a credit card issued by:
 - (i) a financial institution chartered by a state or the United States; or
 - (ii) a nationally recognized credit organization approved by the board [~~Texas Transportation Commission~~];
 - (3) paying a discount or service charge for a credit card payment or escrow account, in addition to the fee; and
 - (4) furnishing to the county assessor-collector, the department, or the department's wire service agent, evidence of financial responsibility for the vehicle that complies with Sections 502.153(c) and 601.168(a) and is written by an insurance company or surety company authorized to write motor vehicle liability insurance in this state.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

No equivalent provision.

SECTION 2E.07. Section 502.355(h), Transportation Code, is amended to read as follows:

(h) A person operating a vehicle under a permit issued under this section commits an offense if the person:

(1) 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

(2) follows a route other than that prescribed by the board [~~Texas Transportation Commission~~].

PART F. DEALER'S AND MANUFACTURER'S
VEHICLE LICENSE PLATES

Same as House version.

SECTION 2F.01. Sections 503.001(2) and (5),
Transportation Code, are amended to read as follows:

(2) "Commission" means the board of the Texas
Department of Motor Vehicles [~~Texas Transportation
Commission~~].

(5) "Department" means the Texas Department of Motor
Vehicles [~~Transportation~~].

Same as House version.

No equivalent provision.

PART __. SPECIALTY LICENSE PLATES

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

No equivalent provision.

SECTION __. Section 504.001(a), Transportation Code, is amended to read as follows:

(a) In this chapter:

(1) "Board" means the board of the Texas Department of Motor Vehicles [~~,"commission" and "director" have the meanings assigned by Section 201.001~~].

(2) "Department" means the Texas Department of Motor Vehicles.

No equivalent provision.

SECTION __. Section 504.004, Transportation Code, is amended to read as follows:

Sec. 504.004. RULES AND FORMS. The board [~~commission~~] may adopt rules and the department may issue forms to implement and administer this chapter.

No equivalent provision.

SECTION __. Sections 504.851(b), (c), and (d), Transportation Code, are amended to read as follows:

(b) Instead of the fees established by Section 504.101(c), the board [~~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,

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

indirect, and administrative costs; or
(2) the amount established by Section 504.101(c).
(c) The board [~~commission~~] by rule shall establish 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. Fees must be reasonable and not less than 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. A fee established under this subsection is in addition to:
(1) the registration fee and any optional registration fee prescribed by this chapter for the vehicle for which specialty license plates are issued;
(2) any additional fee prescribed by this subchapter for the issuance of specialty license plates for that vehicle; and
(3) any additional fee prescribed by this subchapter for the issuance of personalized license plates for that vehicle.
(d) At any time as necessary to comply with Subsection (b) or (c), the board [~~commission~~] may increase or decrease the amount of a fee established under the applicable subsection.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION	CONFERENCE
PART G. MISCELLANEOUS PROVISIONS	Same as House version.	
SECTION 2G.01. Section 520.001, Transportation Code, is amended to read as follows: Sec. 520.001. DEFINITION. In this chapter, "department" means the Texas Department of <u>Motor Vehicles</u> [Transportation].	Same as House version.	
PART H. OPERATION OF BICYCLES, MOPEDS, AND PLAY VEHICLES	Same as House version.	
SECTION 2H.01. Section 551.302, Transportation Code, is amended to read as follows: Sec. 551.302. REGISTRATION. The Texas Department of <u>Motor Vehicles</u> [Transportation] may adopt rules relating to the registration and issuance of license plates to neighborhood electric vehicles.	Same as House version.	
PART I. MOTOR VEHICLE SAFETY RESPONSIBILITY ACT	Same as House version.	
SECTION 2I.01. Section 601.023, Transportation Code, is amended to read as follows: Sec. 601.023. PAYMENT OF STATUTORY FEES.	Same as House version.	

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

The department may pay:

- (1) a statutory fee required by the Texas Department of Motor Vehicles [~~Transportation~~] for a certified abstract or in connection with suspension of a vehicle registration; or
- (2) a statutory fee payable to the comptroller for issuance of a certificate of deposit required by Section 601.122.

SECTION 2I.02. Section 601.451, Transportation Code, as added by Chapter 892 (S.B. 1670), Acts of the 79th Legislature, Regular Session, 2005, is amended to read as follows:

Sec. 601.451. DEFINITION. In this subchapter, "implementing agencies" means:

- (1) the department;
- (2) the Texas Department of Motor Vehicles [~~Transportation~~];
- (3) the Texas Department of Insurance; and
- (4) the Department of Information Resources.

SECTION 2I.03. Subchapter N, Chapter 601, Transportation Code, as added by Chapter 1325 (H.B. 3588), Acts of the 78th Legislature, Regular Session, 2003, is repealed.

Same as House version.

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION	CONFERENCE
PART J. IDENTIFYING MARKINGS ON CERTAIN COMMERCIAL MOTOR VEHICLES	Same as House version.	
SECTION 2J.01. Section 642.002(d), Transportation Code, is amended to read as follows: (d) The Texas Department of <u>Motor Vehicles</u> [Transportation] by rule may prescribe additional requirements regarding the form of the markings required by Subsection (a)(2) that are not inconsistent with that subsection.	Same as House version.	
PART K. MOTOR CARRIER REGISTRATION	Same as House version.	
SECTION 2K.01. Section 643.001(1), Transportation Code, is amended to read as follows: (1) "Department" means the Texas Department of <u>Motor Vehicles</u> [Transportation].	Same as House version.	
PART L. SINGLE STATE REGISTRATION	Same as House version.	
SECTION 2L.01. Section 645.001, Transportation Code, is amended to read as follows: Sec. 645.001. FEDERAL MOTOR CARRIER REGISTRATION. The Texas Department of <u>Motor</u>	Same as House version.	

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Vehicles [~~Transportation~~] may, to the fullest extent practicable, participate in a federal motor carrier registration program under the unified carrier registration system as defined by Section 643.001 or a [~~the~~] single state registration system established under federal law [~~49 U.S.C. Section 14504~~].

PART M. MOTOR TRANSPORTATION BROKERS

Same as House version.

SECTION 2M.01. Section 646.003(a), Transportation Code, is amended to read as follows:

Same as House version.

(a) A person may not act as a motor transportation broker unless the person provides a bond to the Texas Department of Motor Vehicles [~~Transportation~~].

PART N. FOREIGN COMMERCIAL MOTOR TRANSPORTATION

Same as House version.

SECTION 2N.01. Section 648.002, Transportation Code, is amended to read as follows:

Same as House version.

Sec. 648.002. RULES. In addition to rules required by this chapter, the Texas Department of Motor Vehicles [~~Transportation~~], the Department of Public Safety, and the Texas Department of Insurance may adopt other rules to carry out this chapter.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

No equivalent provision.

PART __. PRIVILEGED PARKING

No equivalent provision.

SECTION __. Section 681.001(1), Transportation Code, is amended to read as follows:
(1) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

No equivalent provision.

PART __. ADMINISTRATIVE ADJUDICATION OF VEHICLE PARKING AND STOPPING OFFENSES

No equivalent provision.

SECTION __. Section 682.008, Transportation Code, is amended to read as follows:
Sec. 682.008. PRESUMPTIONS. In an administrative adjudication hearing under this chapter:
(1) it is presumed that the registered owner of the motor vehicle is the person who parked or stopped the vehicle at the time and place of the offense charged; and
(2) the Texas Department of Motor Vehicles' [~~Transportation's~~] computer-generated record of the registered vehicle owner is prima facie evidence of the contents of the record.

PART O. ABANDONED MOTOR VEHICLES

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 2O.01. Section 683.001(1), Transportation Code, is amended to read as follows:
(1) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

Same as House version.

PART P. CONTRACTS FOR ENFORCEMENT OF CERTAIN ARREST WARRANTS

Same as House version.

SECTION 2P.01. Section 702.001(1), Transportation Code, is amended to read as follows:
(1) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

Same as House version.

PART Q. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEM

Same as House version.

SECTION 2Q.01. Section 707.001(2), Transportation Code, is amended to read as follows:
(2) "Owner of a motor vehicle" means the owner of a motor vehicle as shown on the motor vehicle registration records of the Texas Department of Motor Vehicles [~~Transportation~~] or the analogous department or agency

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

of another state or country.

SECTION 2Q.02. Section 707.011(b), Transportation Code, is amended to read as follows:

(b) Not later than the 30th day after the date the violation is alleged to have occurred, the designated department, agency, or office of the local authority or the entity with which the local authority contracts under Section 707.003(a)(1) shall mail the notice of violation to the owner at:

(1) the owner's address as shown on the registration records of the Texas Department of Motor Vehicles [~~Transportation~~]; or

(2) if the vehicle is registered in another state or country, the owner's address as shown on the motor vehicle registration records of the department or agency of the other state or country analogous to the Texas Department of Motor Vehicles [~~Transportation~~].

Same as House version.

SECTION 2Q.03. Section 707.017, Transportation Code, is amended to read as follows:

Sec. 707.017. ENFORCEMENT. If the owner of a motor vehicle is delinquent in the payment of a civil penalty imposed under this chapter, the county assessor-collector or the Texas Department of Motor Vehicles [~~Transportation~~] may refuse to register a motor vehicle alleged to have been involved in the violation.

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

PART R. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

PART S. Same as House version.

SECTION 2R.01. Section 1(3), Article 4413(37), Revised Statutes, is amended to read as follows:
(3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

SECTION 2S.01. Same as House version.

SECTION 2R.02. Section 2, Article 4413(37), Revised Statutes, is amended to read as follows:
Sec. 2. The Automobile Burglary and Theft Prevention Authority is a division [~~established~~] in the Texas Department of Motor Vehicles [~~Transportation~~]. [~~The authority is not an advisory body to the Texas Department of Transportation.~~]

SECTION 2S.02. Section 2, Article 4413(37), Revised Statutes, is amended to read as follows:
Sec. 2. The Automobile Burglary and Theft Prevention Authority is established in the Texas Department of Motor Vehicles [~~Transportation~~]. The authority is not an advisory body to the Texas Department of Motor Vehicles [~~Transportation~~].

SECTION 2R.03. Section 6, Article 4413(37), Revised Statutes, is amended by adding Subsections (j) and (k) to read as follows:
(j) In addition to any report required under Subsection (i), each year the authority shall prepare and submit an annual financial report in the form and manner required of a state agency by Section 2101.011, Government Code.

No equivalent provision.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(k) The authority may not make a grant of appropriated funds unless the grant application is submitted to and approved by the governor, or a person in the office of the governor designated by the governor.

SECTION 2R.04. Section 8, Article 4413(37), Revised Statutes, is amended by adding Subsections (d) and (e) to read as follows:

(d) Money received by the authority under this article shall be sent to the comptroller for deposit in a separate account in the treasury.

(e) As part of the appropriation process the legislature shall determine and in the General Appropriations Act the legislature shall specify the amount of money the authority may use to make grants or provide financial assistance under this article during each of the state fiscal years covered by the General Appropriations Act.

No equivalent provision.

ARTICLE 3. CONFORMING AMENDMENTS
PERTAINING TO TEXAS DEPARTMENT OF
TRANSPORTATION IN OTHER CODES

PART A. BUSINESS & COMMERCE CODE

SENATE VERSION

No equivalent provision.

PART R. SALE OR LEASE OF MOTOR VEHICLES

Same as House version.

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 3A.01. Section 51.003(b), Business & Commerce Code, as effective April 1, 2009, is amended to read as follows:

(b) In this chapter, "business opportunity" does not include:

(1) the sale or lease of an established and ongoing business or enterprise that has actively conducted business before the sale or lease, whether composed of one or more than one component business or enterprise, if the sale or lease represents an isolated transaction or series of transactions involving a bona fide change of ownership or control of the business or enterprise or liquidation of the business or enterprise;

(2) a sale by a retailer of goods or services under a contract or other agreement to sell the inventory of one or more ongoing leased departments to a purchaser who is granted the right to sell the goods or services within or adjoining a retail business establishment as a department or division of the retail business establishment;

(3) a transaction that is:

(A) regulated by the Texas Department of Licensing and Regulation, the Texas Department of Insurance, the Texas Real Estate Commission, or the director of the Motor Vehicle Division of the Texas Department of Motor Vehicles [~~Transportation~~]; and

(B) engaged in by a person licensed by one of those

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

agencies;

(4) a real estate syndication;

(5) a sale or lease to a business enterprise that also sells or leases products, equipment, or supplies or performs services:

(A) that are not supplied by the seller; and

(B) that the purchaser does not use with the seller's products, equipment, supplies, or services;

(6) the offer or sale of a franchise as described by the Petroleum Marketing Practices Act (15 U.S.C. Section 2801 et seq.) and its subsequent amendments;

(7) the offer or sale of a business opportunity if the seller:

(A) has a net worth of \$25 million or more according to the seller's audited balance sheet as of a date not earlier than the 13th month before the date of the transaction; or

(B) is at least 80 percent owned by another person who:

(i) in writing unconditionally guarantees performance by the person offering the business opportunity plan; and

(ii) has a net worth of more than \$25 million according to the person's most recent audited balance sheet as of a date not earlier than the 13th month before the date of the transaction; or

(8) an arrangement defined as a franchise by 16 C.F.R. Section 436.2(a) and its subsequent amendments if:

(A) the franchisor complies in all material respects in this state with 16 C.F.R. Part 436 and each order or other action of the Federal Trade Commission; and

(B) before offering for sale or selling a franchise in this

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

state, a person files with the secretary of state a notice containing:

- (i) the name of the franchisor;
- (ii) the name under which the franchisor intends to transact business; and
- (iii) the franchisor's principal business address.

SECTION 3A.02. Section 105.004(b), Business & Commerce Code, as effective April 1, 2009, is amended to read as follows:

(b) The Texas Department of Motor Vehicles [~~Transportation~~] shall provide a notice that states the provisions of this chapter to each person with a disability who is issued:

- (1) license plates under Section 504.201, Transportation Code; or
- (2) a disabled parking placard under Section 681.004, Transportation Code.

Same as House version.

PART B. CODE OF CRIMINAL PROCEDURE

Same as House version.

SECTION 3B.01. Section 1(1), Article 42.22, Code of Criminal Procedure, is amended to read as follows:

(1) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 3B.02. Article 59.04(c), Code of Criminal Procedure, is amended to read as follows:

(c) If the property is a motor vehicle, and if there is reasonable cause to believe that the vehicle has been registered under the laws of this state, the attorney representing the state shall ask the Texas Department of Motor Vehicles [~~Transportation~~] to identify from its records the record owner of the vehicle and any interest holder. If the addresses of the owner and interest holder are not otherwise known, the attorney representing the state shall request citation be served on such persons at the address listed with the Texas Department of Motor Vehicles [~~Transportation~~]. If the citation issued to such address is returned unserved, the attorney representing the state shall cause a copy of the notice of the seizure and intended forfeiture to be posted at the courthouse door, to remain there for a period of not less than 30 days. If the owner or interest holder does not answer or appear after the notice has been so posted, the court shall enter a judgment by default as to the owner or interest holder, provided that the attorney representing the state files a written motion supported by affidavit setting forth the attempted service. An owner or interest holder whose interest is forfeited in this manner shall not be liable for court costs. If the person in possession of the vehicle at the time of the seizure is not the owner or the interest holder of the vehicle, notification shall be provided to the possessor in the same manner specified for notification to an owner or interest holder.

SENATE VERSION

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

PART C. FAMILY CODE

Same as House version.

SECTION 3C.01. Section 157.316(b), Family Code, is amended to read as follows:

Same as House version.

(b) If a lien established under this subchapter attaches to a motor vehicle, the lien must be perfected in the manner provided by Chapter 501, Transportation Code, and the court or Title IV-D agency that rendered the order of child support shall include in the order a requirement that the obligor surrender to the court or Title IV-D agency evidence of the legal ownership of the motor vehicle against which the lien may attach. A lien against a motor vehicle under this subchapter is not perfected until the obligor's title to the vehicle has been surrendered to the court or Title IV-D agency and the Texas Department of Motor Vehicles [~~Transportation~~] has issued a subsequent title that discloses on its face the fact that the vehicle is subject to a child support lien under this subchapter.

SECTION 3C.02. Section 232.0022(a), Family Code, is amended to read as follows:

Same as House version.

(a) The Texas Department of Motor Vehicles [~~Transportation~~] is the appropriate licensing authority for suspension or nonrenewal of a motor vehicle registration under this chapter.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 3C.03. Section 232.014(b), Family Code, is amended to read as follows:

(b) A fee collected by the Texas Department of Motor Vehicles [~~Transportation~~] or the Department of Public Safety shall be deposited to the credit of the state highway fund.

Same as House version.

SECTION 3C.04. Section 264.502(b), Family Code, is amended to read as follows:

(b) The members of the committee who serve under Subsections (a)(1) through (3) shall select the following additional committee members:

- (1) a criminal prosecutor involved in prosecuting crimes against children;
- (2) a sheriff;
- (3) a justice of the peace;
- (4) a medical examiner;
- (5) a police chief;
- (6) a pediatrician experienced in diagnosing and treating child abuse and neglect;
- (7) a child educator;
- (8) a child mental health provider;
- (9) a public health professional;
- (10) a child protective services specialist;
- (11) a sudden infant death syndrome family service provider;

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

- (12) a neonatologist;
- (13) a child advocate;
- (14) a chief juvenile probation officer;
- (15) a child abuse prevention specialist;
- (16) a representative of the Department of Public Safety;
- and
- (17) a representative of the Texas Department of Motor Vehicles [~~Transportation~~].

SENATE VERSION

CONFERENCE

PART D. FINANCE CODE

SECTION 3D.01. Section 306.001(9), Finance Code, is amended to read as follows:

- (9) "Qualified commercial loan":
 - (A) means:
 - (i) a commercial loan in which one or more persons as part of the same transaction lends, advances, borrows, or receives, or is obligated to lend or advance or entitled to borrow or receive, money or credit with an aggregate value of:
 - (a) \$3 million or more if the commercial loan is secured by real property; or
 - (b) \$250,000 or more if the commercial loan is not secured by real property and, if the aggregate value of the commercial loan is less than \$500,000, the loan documents contain a written certification from the borrower that:

Same as House version.

SECTION 3D.01. Subdivision (9), Section 306.001, Finance Code, is amended to read as follows:

- (9) "Qualified commercial loan":
 - (A) means:
 - (i) a commercial loan in which one or more persons as part of the same transaction lends, advances, borrows, or receives, or is obligated to lend or advance or entitled to borrow or receive, money or credit with an aggregate value of:
 - (a) \$3 million or more if the commercial loan is secured by real property; or
 - (b) \$250,000 or more if the commercial loan is not secured by real property and, if the aggregate value of the commercial loan is less than \$500,000, the loan documents contain a written certification from the borrower that:

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

- (1) the borrower has been advised by the lender to seek the advice of an attorney and an accountant in connection with the commercial loan; and
- (2) the borrower has had the opportunity to seek the advice of an attorney and accountant of the borrower's choice in connection with the commercial loan; and
- (ii) a renewal or extension of a commercial loan described by **Subparagraph (i)** [~~Paragraph (A)~~], regardless of the principal amount of the loan at the time of the renewal or extension; and
- (B) does not include a commercial loan made for the purpose of financing a business licensed by the Motor Vehicle Board of the Texas Department of Motor Vehicles [~~Transportation~~] under Section 2301.251(a), Occupations Code.

SECTION 3D.02. Section 348.001(10-a), Finance Code, is amended to read as follows:

- (10-a) "Towable recreation vehicle" means a nonmotorized vehicle that:
 - (A) was originally designed and manufactured primarily to provide temporary human habitation in conjunction with recreational, camping, or seasonal use;
 - (B) is titled and registered with the Texas Department of Motor Vehicles [~~Transportation~~] as a travel trailer through a county tax assessor-collector;
 - (C) is permanently built on a single chassis;
 - (D) contains at least one life support system; and

SENATE VERSION

- (1) the borrower has been advised by the lender to seek the advice of an attorney and an accountant in connection with the commercial loan; and
- (2) the borrower has had the opportunity to seek the advice of an attorney and accountant of the borrower's choice in connection with the commercial loan; and
- (ii) a renewal or extension of a commercial loan described by **Paragraph (A)**, regardless of the principal amount of the loan at the time of the renewal or extension; and
- (B) does not include a commercial loan made for the purpose of financing a business licensed by the Motor Vehicle Board of the Texas Department of Motor Vehicles [~~Transportation~~] under Section 2301.251(a), Occupations Code.

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(E) is designed to be towable by a motor vehicle.

SECTION 3D.03. Section 348.518, Finance Code, is amended to read as follows:

Sec. 348.518. SHARING OF INFORMATION. To ensure consistent enforcement of law and minimization of regulatory burdens, the commissioner and the Texas Department of Motor Vehicles [~~Transportation~~] may share information, including criminal history information, relating to a person licensed under this chapter. Information otherwise confidential remains confidential after it is shared under this section.

Same as House version.

PART E. GOVERNMENT CODE

Same as House version.

SECTION 3E.01. Section 411.122(d), Government Code, is amended to read as follows:

(d) The following state agencies are subject to this section:

- (1) Texas Appraiser Licensing and Certification Board;
- (2) Texas Board of Architectural Examiners;
- (3) Texas Board of Chiropractic Examiners;
- (4) State Board of Dental Examiners;
- (5) Texas Board of Professional Engineers;
- (6) Texas Funeral Service Commission;
- (7) Texas Board of Professional Geoscientists;

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (8) Department of State Health Services, except as provided by Section 411.110, and agencies attached to the department, including:
- (A) Texas State Board of Examiners of Dietitians;
 - (B) Texas State Board of Examiners of Marriage and Family Therapists;
 - (C) Midwifery Board;
 - (D) Texas State Perfusionist Advisory Committee [~~Board of Examiners of Perfusionists~~];
 - (E) Texas State Board of Examiners of Professional Counselors;
 - (F) Texas State Board of Social Worker Examiners;
 - (G) State Board of Examiners for Speech-Language Pathology and Audiology;
 - (H) Advisory Board of Athletic Trainers;
 - (I) State Committee of Examiners in the Fitting and Dispensing of Hearing Instruments;
 - (J) Texas Board of Licensure for Professional Medical Physicists; and
 - (K) Texas Board of Orthotics and Prosthetics;
- (9) Texas Board of Professional Land Surveying;
- (10) Texas Department of Licensing and Regulation, except as provided by Section 411.093;
- (11) Texas Commission on Environmental Quality;
- (12) Texas Board of Occupational Therapy Examiners;
- (13) Texas Optometry Board;
- (14) Texas State Board of Pharmacy;
- (15) Texas Board of Physical Therapy Examiners;
- (16) Texas State Board of Plumbing Examiners;

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (17) Texas State Board of Podiatric Medical Examiners;
- (18) Polygraph Examiners Board;
- (19) Texas State Board of Examiners of Psychologists;
- (20) Texas Real Estate Commission;
- (21) Board of Tax Professional Examiners;
- (22) Texas Department of Transportation;
- (23) State Board of Veterinary Medical Examiners;
- (24) Texas Department of Housing and Community Affairs;
- (25) secretary of state;
- (26) state fire marshal;
- (27) Texas Education Agency; ~~and~~
- (28) Department of Agriculture; and
- (29) Texas Department of Motor Vehicles.

PART F. HEALTH AND SAFETY CODE

Same as House version.

SECTION 3F.01. Section 382.209(e), Health and Safety Code, is amended to read as follows:

Same as House version.

(e) A vehicle is not eligible to participate in a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program established under this section unless:

- (1) the vehicle is capable of being operated;
- (2) the registration of the vehicle:
 - (A) is current; and
 - (B) reflects that the vehicle has been registered in the

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

county implementing the program for the 12 months preceding the application for participation in the program;

(3) the commissioners court of the county administering the program determines that the vehicle meets the eligibility criteria adopted by the commission, the Texas Department of Motor Vehicles [~~Transportation~~], and the Public Safety Commission;

(4) if the vehicle is to be repaired, the repair is done by a repair facility recognized by the Department of Public Safety, which may be an independent or private entity licensed by the state; and

(5) if the vehicle is to be retired under this subsection and Section 382.213, the replacement vehicle is a qualifying motor vehicle.

SECTION 3F.02. Section 382.210(f), Health and Safety Code, is amended to read as follows:

(f) In this section, "total cost" means the total amount of money paid or to be paid for the purchase of a motor vehicle as set forth as "sales price" in the form entitled "Application for Texas Certificate of Title" promulgated by the Texas Department of Motor Vehicles [~~Transportation~~]. In a transaction that does not involve the use of that form, the term means an amount of money that is equivalent, or substantially equivalent, to the amount that would appear as "sales price" on the Application for Texas Certificate of Title if that form

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

were involved.

SECTION 3F.03. Section 461.017(a), Health and Safety Code, is amended to read as follows:

(a) The Drug Demand Reduction Advisory Committee is composed of the following members:

- (1) five representatives of the public from different geographic regions of the state who have knowledge and expertise in issues relating to reducing drug demand and who are appointed by the commissioner [~~executive director~~] of the Department of State Health Services [~~Texas Commission on Alcohol and Drug Abuse~~]; and
- (2) one representative of each of the following agencies or offices who is appointed by the executive director or commissioner of the agency or office and who is directly involved in the agency's or office's policies, programs, or funding activities relating to reducing drug demand:
 - (A) the criminal justice division of the governor's office;
 - (B) the Criminal Justice Policy Council;
 - (C) the Department of Family and Protective [~~and Regulatory~~] Services;
 - (D) the Department of Public Safety of the State of Texas;
 - (E) the Health and Human Services Commission;
 - (F) the Texas Alcoholic Beverage Commission;
 - (G) the Department of State Health Services [~~Texas Commission on Alcohol and Drug Abuse~~];
 - (H) the Advisory Committee to the Texas Board of

SECTION 3F.03. Subsection (a), Section 461.017, Health and Safety Code, is amended to read as follows:

(a) The Drug Demand Reduction Advisory Committee is composed of the following members:

- (1) five representatives of the public from different geographic regions of the state who have knowledge and expertise in issues relating to reducing drug demand and who are appointed by the commissioner [~~executive director~~] of the Department of State Health Services [~~Texas Commission on Alcohol and Drug Abuse~~]; and
- (2) one representative of each of the following agencies or offices who is appointed by the executive director or commissioner of the agency or office and who is directly involved in the agency's or office's policies, programs, or funding activities relating to reducing drug demand:
 - (A) the criminal justice division of the governor's office;
 - (B) the Criminal Justice Policy Council;
 - (C) the Department of Family and Protective [~~and Regulatory~~] Services;
 - (D) the Department of Public Safety of the State of Texas;
 - (E) the Health and Human Services Commission;
 - (F) the Texas Alcoholic Beverage Commission;
 - (G) the Department of State Health Services [~~Texas Commission on Alcohol and Drug Abuse~~];
 - (H) the Texas Council on Offenders with Mental

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Criminal Justice [Texas Council] on Offenders with Medical or Mental Impairments;

(I) the Texas Department of Criminal Justice;
(J) the [Texas Department of] Health and [;]
[~~(K) the Texas Department of~~] Human Services Commission;
(K) [~~(L)~~] the [Texas] Department of Aging and Disability Services [~~Mental Health and Mental Retardation~~];
(L) [~~(M)~~] the Texas Education Agency;
(M) [~~(N)~~] the Texas Juvenile Probation Commission;
(N) [~~(O)~~] the Texas Youth Commission;
(O) [~~(P)~~] the Department of Assistive and Rehabilitative Services [~~Texas Rehabilitation Commission~~];
(P) [~~(Q)~~] the Texas Workforce Commission;
(Q) [~~(R)~~] the Texas Department of Motor Vehicles [~~Transportation~~];
(R) [~~(S)~~] the comptroller of public accounts; and
(S) [~~(T)~~] the adjutant general's department.

PART G. HUMAN RESOURCES CODE

SECTION 3G.01. Section 22.041, Human Resources Code, is amended to read as follows:
Sec. 22.041. THIRD-PARTY INFORMATION. Notwithstanding any other provision of this code, the department may use information obtained from a third

SENATE VERSION

Impairments;

(I) the Texas Department of Criminal Justice;
(J) the [Texas Department of] Health and [;]
[~~(K) the Texas Department of~~] Human Services Commission;
(K) [~~(L)~~] the [Texas] Department of Aging and Disability Services [~~Mental Health and Mental Retardation~~];
(L) [~~(M)~~] the Texas Education Agency;
(M) [~~(N)~~] the Texas Juvenile Probation Commission;
(N) [~~(O)~~] the Texas Youth Commission;
(O) [~~(P)~~] the Department of Assistive and Rehabilitative Services [~~Texas Rehabilitation Commission~~];
(P) [~~(Q)~~] the Texas Workforce Commission;
(Q) [~~(R)~~] the Texas Department of Motor Vehicles [~~Transportation~~];
(R) [~~(S)~~] the comptroller of public accounts; and
(S) [~~(T)~~] the adjutant general's department.

Same as House version.

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

party to verify the assets and resources of a person for purposes of determining the person's eligibility and need for medical assistance, financial assistance, or nutritional assistance. Third-party information includes information obtained from:

- (1) a consumer reporting agency, as defined by Section 20.01, Business & Commerce Code;
- (2) an appraisal district; or
- (3) the Texas Department of Motor Vehicles [~~Transportation's~~] vehicle registration record database.

SECTION 3G.02. Section 32.026(g), Human Resources Code, is amended to read as follows:

(g) Notwithstanding any other provision of this code, the department may use information obtained from a third party to verify the assets and resources of a person for purposes of determining the person's eligibility and need for medical assistance. Third-party information includes information obtained from:

- (1) a consumer reporting agency, as defined by Section 20.01, Business & Commerce Code;
- (2) an appraisal district; or
- (3) the Texas Department of Motor Vehicles [~~Transportation's~~] vehicle registration record database.

Same as House version.

PART H. LOCAL GOVERNMENT CODE

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 3H.01. Section 130.006, Local Government Code, is amended to read as follows:

Sec. 130.006. PROCEDURES FOR COLLECTION OF DISHONORED CHECKS AND INVOICES. A county tax assessor-collector may establish procedures for the collection of dishonored checks and credit card invoices. The procedures may include:

- (1) official notification to the maker that the check or invoice has not been honored and that the receipt, registration, certificate, or other instrument issued on the receipt of the check or invoice is not valid until payment of the fee or tax is made;
- (2) notification of the sheriff or other law enforcement officers that a check or credit card invoice has not been honored and that the receipt, registration, certificate, or other instrument held by the maker is not valid; and
- (3) notification to the Texas Department of Motor Vehicles [~~Transportation~~], the comptroller of public accounts, or the Department of Public Safety that the receipt, registration, certificate, or other instrument held by the maker is not valid.

Same as House version.

SECTION 3H.02. Section 130.007, Local Government Code, is amended to read as follows:

Sec. 130.007. REMISSION TO STATE NOT REQUIRED; STATE ASSISTANCE IN COLLECTION. (a) If a fee or tax is required to be remitted to the comptroller or the Texas Department of

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Motor Vehicles [~~Transportation~~] and if payment was made to the county tax assessor-collector by a check that was not honored by the drawee bank or by a credit card invoice that was not honored by the credit card issuer, the amount of the fee or tax is not required to be remitted, but the assessor-collector shall notify the appropriate department of:

- (1) the amount of the fee or tax;
- (2) the type of fee or tax involved; and
- (3) the name and address of the maker.

(b) The Texas Department of Motor Vehicles [~~Transportation~~] and the comptroller shall assist the county tax assessor-collector in collecting the fee or tax and may cancel or revoke any receipt, registration, certificate, or other instrument issued in the name of the state conditioned on the payment of the fee or tax.

SECTION 3H.03. Section 130.008, Local Government Code, is amended to read as follows:

Sec. 130.008. LIABILITY OF TAX COLLECTOR FOR VIOLATIONS OF SUBCHAPTER. If the comptroller or the Texas Department of Motor Vehicles [~~Transportation~~] determines that the county tax assessor-collector has accepted payment for fees and taxes to be remitted to that department in violation of Section 130.004 or that more than two percent of the fees and taxes to be received from the assessor-collector are not remitted because of the acceptance of checks that are not

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

honored by the drawee bank or of credit card invoices that are not honored by the credit card issuer, the department may notify the assessor-collector that the assessor-collector may not accept a check or credit card invoice for the payment of any fee or tax to be remitted to that department. A county tax assessor-collector who accepts a check or credit card invoice for the payment of a fee or tax, after notice that the assessor-collector may not receive a check or credit card invoice for the payment of fees or taxes to be remitted to a department, is liable to the state for the amount of the check or credit card invoice accepted.

SECTION 3H.04. Section 130.009, Local Government Code, is amended to read as follows:
Sec. 130.009. STATE RULES. The comptroller and the Texas Department of Motor Vehicles [~~Transportation~~] may make rules concerning the acceptance of checks or credit card invoices by a county tax assessor-collector and for the collection of dishonored checks or credit card invoices.

Same as House version.

PART I. OCCUPATIONS CODE

Same as House version.

SECTION 3I.01. Section 554.009(c), Occupations Code, is amended to read as follows:

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(c) The board may register a vehicle with the Texas Department of Motor Vehicles [~~Transportation~~] in an alias name only for investigative personnel.

SECTION 3I.02. Section 2301.002(9), Occupations Code, is amended to read as follows:

(9) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

SECTION 3I.03. Sections 2301.005(a) and (b), Occupations Code, are amended to read as follows:

(a) A reference in law, including a rule, to the Texas Motor Vehicle Commission or to the board means [~~the director, except that a reference to~~] the board of the Texas Department of Motor Vehicles [~~means the commission if it is related to the adoption of rules~~].

(b) A reference in law, including a rule, to the executive director of the Texas Motor Vehicle Commission means the executive director of the Texas Department of Motor Vehicles.

SECTION 3I.04. Sections 2302.001(2), (3), and (6), Occupations Code, are amended to read as follows:

(2) "Board" [~~"Commission"~~] means the board of the Texas Department of Motor Vehicles [~~Transportation~~]

SENATE VERSION

SECTION 2R.01. Same as House version.
SECTION 3I.02. Same as House version.

Same as House version.

SECTION 3I.04. Subdivisions (2) and (3), Section 2302.001, Occupations Code, are amended to read as follows:

(2) "Board" [~~"Commission"~~] means the board of the Texas Department of Motor Vehicles [~~Transportation~~]

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

~~Commission~~].

(3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

(6) "Salvage vehicle agent" means a person who acquires, sells, or otherwise deals in nonrepairable or salvage motor vehicles or used parts in this state as directed by the salvage vehicle dealer under whose license the person operates. The term does not include a person who:

(A) is a licensed salvage vehicle dealer or a licensed used automotive parts recycler;

(B) is a partner, owner, or officer of a business entity that holds a salvage vehicle dealer license or a used automotive parts recycler license;

(C) is an employee of a licensed salvage vehicle dealer or a licensed used automotive parts recycler; or

(D) only transports salvage motor vehicles for a licensed salvage vehicle dealer or a licensed used automotive parts recycler.

SECTION 3I.05. Section 2302.0015(b), Occupations Code, is amended to read as follows:

(b) For the purpose of enforcing or administering this chapter or Chapter 501 or 502, Transportation Code, a member of the board [~~commission~~], an employee or agent of the board [~~commission~~] or department, a

SENATE VERSION

~~Commission~~].

(3) "Department" means the Texas Department of Motor Vehicles [~~Transportation~~].

SECTION 4.01. Subdivision (6), Section 2302.001, Occupations Code, is amended to read as follows:

(6) "Salvage vehicle agent" means a person who acquires, sells, or otherwise deals in nonrepairable or salvage motor vehicles [~~or used parts~~] in this state as directed by the salvage vehicle dealer under whose license the person operates. The term does not include a person who:

(A) is a licensed salvage vehicle dealer or a licensed used automotive parts recycler;

(B) is a partner, owner, or officer of a business entity that holds a salvage vehicle dealer license or a used automotive parts recycler license;

(C) is an employee of a licensed salvage vehicle dealer or a licensed used automotive parts recycler; or

(D) only transports salvage motor vehicles for a licensed salvage vehicle dealer or a licensed used automotive parts recycler.

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

member of the Public Safety Commission, an officer of the Department of Public Safety, or a peace officer may at a reasonable time:

- (1) enter the premises of a business regulated under one of those chapters; and
- (2) inspect or copy any document, record, vehicle, part, or other item regulated under one of those chapters.

SECTION 3I.06. Subchapter A, Chapter 2302, Occupations Code, is amended by adding Section 2302.008 to read as follows:

Sec. 2302.008. APPLICABILITY OF CHAPTER TO USED AUTOMOTIVE PARTS RECYCLERS. This chapter does not apply to a used automotive parts recycler licensed under Chapter 2309.

SECTION 3I.07. Subchapter B, Chapter 2302, Occupations Code, is amended to read as follows:

SUBCHAPTER B. BOARD [~~COMMISSION~~]
POWERS AND DUTIES

Sec. 2302.051. RULES AND ENFORCEMENT POWERS. The board [~~commission~~] shall adopt rules as necessary to administer this chapter and may take other action as necessary to enforce this chapter.

SENATE VERSION

SECTION 4.03. Same as House version.

SECTION 3I.06. The heading to Subchapter B, Chapter 2302, Occupations Code, is amended to read as follows:

SUBCHAPTER B. BOARD [~~COMMISSION~~]
POWERS AND DUTIES

SECTION 3I.07. Sections 2302.051, 2302.052, and 2302.053, Occupations Code, are amended to read as follows:

Sec. 2302.051. RULES AND ENFORCEMENT POWERS. The board [~~commission~~] shall adopt rules as necessary to administer this chapter and may take other action as necessary to enforce this chapter.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2302.052. DUTY TO SET FEES. The board [~~commission~~] shall set application fees, license fees, renewal fees, and other fees as required to implement this chapter. The board [~~commission~~] shall set the fees in amounts reasonable and necessary to implement and enforce this chapter.

Sec. 2302.053. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) The board [~~commission~~] may not adopt a rule under Section 2302.051 restricting advertising or competitive bidding by a person who holds a license issued under this chapter except to prohibit false, misleading, or deceptive practices by the person.

(b) The board [~~commission~~] may not include in its rules to prohibit false, misleading, or deceptive practices a rule that:

- (1) restricts the use of any advertising medium;
- (2) restricts the person's personal appearance or use of the person's voice in an advertisement;
- (3) relates to the size or duration of an advertisement by the person; or
- (4) restricts the use of a trade name in advertising by the person.

SECTION 3I.08. Section 2302.103(b), Occupations Code, is amended to read as follows:

(b) An applicant may apply for a salvage vehicle dealer license with an endorsement in one or more of the

SENATE VERSION

Sec. 2302.052. DUTY TO SET FEES. The board [~~commission~~] shall set application fees, license fees, renewal fees, and other fees as required to implement this chapter. The board [~~commission~~] shall set the fees in amounts reasonable and necessary to implement and enforce this chapter.

Sec. 2302.053. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) The board [~~commission~~] may not adopt a rule under Section 2302.051 restricting advertising or competitive bidding by a person who holds a license issued under this chapter except to prohibit false, misleading, or deceptive practices by the person.

(b) The board [~~commission~~] may not include in its rules to prohibit false, misleading, or deceptive practices a rule that:

- (1) restricts the use of any advertising medium;
- (2) restricts the person's personal appearance or use of the person's voice in an advertisement;
- (3) relates to the size or duration of an advertisement by the person; or
- (4) restricts the use of a trade name in advertising by the person.

SECTION 4.04. Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

following classifications:

- (1) new automobile dealer;
- (2) used automobile dealer;
- (3) ~~used vehicle parts dealer;~~
- ~~[(4)]~~ salvage pool operator;
- ~~(4) [(5)]~~ salvage vehicle broker; or
- ~~(5) [(6)]~~ salvage vehicle rebuilder.

SECTION 3I.09. Section 2302.108(b), Occupations Code, is amended to read as follows:

(b) The board ~~[commission]~~ by rule shall establish the grounds for denial, suspension, revocation, or reinstatement of a license issued under this chapter and the procedures for disciplinary action. A rule adopted under this subsection may not conflict with a rule adopted by the State Office of Administrative Hearings.

SECTION 3I.10. Section 2302.204, Occupations Code, is amended to read as follows:

Sec. 2302.204. CASUAL SALES. This chapter does not apply to a person who purchases fewer than three nonrepairable motor vehicles or salvage motor vehicles from a salvage vehicle dealer, an insurance company or salvage pool operator in a casual sale at auction, except that:

- (1) the board ~~[commission]~~ shall adopt rules as necessary to regulate casual sales by salvage vehicle

SECTION 3I.08. Same as House version.

SECTION 3I.09. Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

dealers, insurance companies, or salvage pool operators and to enforce this section; and

(2) a salvage vehicle dealer, insurance company, or salvage pool operator who sells a motor vehicle in a casual sale shall comply with those rules and Subchapter E, Chapter 501, Transportation Code.

SECTION 3I.11. (a) Subtitle A, Title 14, Occupations Code, is amended by adding Chapter 2309 to read as follows:

CHAPTER 2309. USED AUTOMOTIVE PARTS RECYCLERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2309.001. SHORT TITLE. This chapter may be cited as the Texas Used Automotive Parts Recycling Act.

Sec. 2309.002. DEFINITIONS. In this chapter:

(1) "Insurance company," "metal recycler," "motor vehicle," "nonrepairable motor vehicle," "nonrepairable vehicle title," "salvage motor vehicle," "salvage vehicle title," and "salvage vehicle dealer" have the meanings assigned by Section 501.091, Transportation Code.

(2) "Commission" means the Texas Commission of Licensing and Regulation.

(3) "Department" means the Texas Department of Licensing and Regulation.

(4) "Executive director" means the executive director of the department.

(5) "Used automotive part" has the meaning assigned to

SENATE VERSION

SECTION 4.07. Subtitle A, Title 14, Occupations Code, is amended by adding Chapter 2309 to read as follows:

CHAPTER 2309. USED AUTOMOTIVE PARTS RECYCLERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2309.001. SHORT TITLE. This chapter may be cited as the Texas Used Automotive Parts Recycling Act.

Sec. 2309.002. DEFINITIONS. In this chapter:

(1) "Insurance company," "metal recycler," "motor vehicle," "nonrepairable motor vehicle," "nonrepairable vehicle title," "salvage motor vehicle," "salvage vehicle title," and "salvage vehicle dealer" have the meanings assigned by Section 501.091, Transportation Code.

(2) "Commission" means the Texas Commission of Licensing and Regulation.

(3) "Department" means the Texas Department of Licensing and Regulation.

(4) "Executive director" means the executive director of the department.

(5) "Used automotive part" has the meaning assigned to

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

"used part" by Section 501.091, Transportation Code.

(6) "Used automotive parts recycler" means a person licensed under this chapter to operate a used automotive parts recycling business.

(7) "Used automotive parts recycling" means the dismantling and reuse or resale of used automotive parts and the safe disposal of salvage motor vehicles or nonrepairable motor vehicles, including the resale of those vehicles.

Sec. 2309.003. APPLICABILITY OF CHAPTER TO METAL RECYCLERS. (a) Except as provided by Subsection (b), this chapter does not apply to a transaction to which a metal recycler is a party.

(b) This chapter applies to a transaction in which a motor vehicle:

(1) is sold, transferred, released, or delivered to a metal recycler as a source of used automotive parts; and

(2) is used as a source of used automotive parts.

Sec. 2309.004. APPLICABILITY OF CHAPTER TO SALVAGE VEHICLE DEALERS. (a) Except as provided by Subsection (b), this chapter does not apply to a transaction in which a salvage vehicle dealer is a party.

(b) This chapter applies to a transaction in which a motor vehicle:

(1) is sold, transferred, released, or delivered to a salvage vehicle dealer as a source of used automotive parts; and

(2) is used as a source of used automotive parts.

SENATE VERSION

"used part" by Section 501.091, Transportation Code.

(6) "Used automotive parts recycler" means a person licensed under this chapter to operate a used automotive parts recycling business.

(7) "Used automotive parts recycling" means the dismantling and reuse or resale of used automotive parts and the safe disposal of salvage motor vehicles or nonrepairable motor vehicles, including the resale of those vehicles.

Sec. 2309.003. APPLICABILITY OF CHAPTER TO METAL RECYCLERS. (a) Except as provided by Subsection (b), this chapter does not apply to a transaction to which a metal recycler is a party.

(b) This chapter applies to a transaction in which a motor vehicle:

(1) is sold, transferred, released, or delivered to a metal recycler as a source of used automotive parts; and

(2) is used as a source of used automotive parts.

Sec. 2309.004. APPLICABILITY OF CHAPTER TO SALVAGE VEHICLE DEALERS. (a) Except as provided by Subsection (b), this chapter does not apply to a transaction in which a salvage vehicle dealer is a party.

(b) This chapter applies to a salvage vehicle dealer who deals in used automotive parts as more than an incidental part of the salvage vehicle dealer's primary business.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2309.005. APPLICABILITY OF CHAPTER TO INSURANCE COMPANIES. This chapter does not apply to an insurance company.

[Sections 2309.006-2309.050 reserved for expansion]

SUBCHAPTER B. ADVISORY BOARD

Sec. 2309.051. USED AUTOMOTIVE PARTS RECYCLING ADVISORY BOARD. (a) The advisory board consists of **six** members representing the used automotive parts industry in this state appointed by the presiding officer of the commission with the approval of the commission.

(b) The advisory board shall include members who represent used automotive parts businesses owned by domestic entities, as defined by Section 1.002, Business Organizations Code.

(c) The advisory board shall include one member who represents a used automotive parts business owned by a foreign entity, as defined by Section 1.002, Business Organizations Code.

(d) Appointments to the advisory board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

Sec. 2309.052. TERMS; VACANCIES. (a) Advisory board members serve terms of six years, with the terms of two members expiring on February 1 of each odd-numbered year.

SENATE VERSION

Sec. 2309.005. APPLICABILITY OF CHAPTER TO INSURANCE COMPANIES. This chapter does not apply to an insurance company.

[Sections 2309.006-2309.050 reserved for expansion]

SUBCHAPTER B. ADVISORY BOARD

Sec. 2309.051. USED AUTOMOTIVE PARTS RECYCLING ADVISORY BOARD. (a) The advisory board consists of **five** members representing the used automotive parts industry in this state appointed by the presiding officer of the commission with the approval of the commission.

(b) The advisory board shall include members who represent used automotive parts businesses owned by domestic entities, as defined by Section 1.002, Business Organizations Code.

(c) The advisory board shall include one member who represents a used automotive parts business owned by a foreign entity, as defined by Section 1.002, Business Organizations Code.

(d) The advisory board may not include more than one member from any one used automotive parts business entity.

(e) Appointments to the advisory board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

Sec. 2309.052. TERMS; VACANCIES. (a) Advisory board members serve terms of six years, with the terms of **one or** two members expiring on February 1 of each odd-numbered year.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(b) A member may not serve more than two full consecutive terms.

(c) If a vacancy occurs during a term, the presiding officer of the commission shall appoint a replacement who meets the qualifications of the vacated position to serve for the remainder of the term.

Sec. 2309.053. PRESIDING OFFICER. The presiding officer of the commission shall appoint one of the advisory board members to serve as presiding officer of the advisory board for a term of one year. The presiding officer of the advisory board may vote on any matter before the advisory board.

Sec. 2309.054. POWERS AND DUTIES OF ADVISORY BOARD. The advisory board shall provide advice and recommendations to the department on technical matters relevant to the administration and enforcement of this chapter, including licensing standards, continuing education requirements, and examination content, if applicable.

Sec. 2309.055. COMPENSATION; REIMBURSEMENT OF EXPENSES. Advisory board members may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the advisory board, subject to the General Appropriations Act.

Sec. 2309.056. MEETINGS. The advisory board shall meet twice annually and may meet at other times at the call of the presiding officer of the commission or the executive director.

SENATE VERSION

(b) A member may not serve more than two full consecutive terms.

(c) If a vacancy occurs during a term, the presiding officer of the commission shall appoint a replacement who meets the qualifications of the vacated position to serve for the remainder of the term.

Sec. 2309.053. PRESIDING OFFICER. The presiding officer of the commission shall appoint one of the advisory board members to serve as presiding officer of the advisory board for a term of one year. The presiding officer of the advisory board may vote on any matter before the advisory board.

Sec. 2309.054. POWERS AND DUTIES OF ADVISORY BOARD. The advisory board shall provide advice and recommendations to the department on technical matters relevant to the administration and enforcement of this chapter, including licensing standards.

Sec. 2309.055. COMPENSATION; REIMBURSEMENT OF EXPENSES. Advisory board members may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the advisory board, subject to the General Appropriations Act.

Sec. 2309.056. MEETINGS. The advisory board shall meet twice annually and may meet at other times at the call of the presiding officer of the commission or the executive director.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

[Sections 2309.057-2309.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES OF COMMISSION AND DEPARTMENT

Sec. 2309.101. GENERAL POWERS AND DUTIES. The executive director or commission, as appropriate, may take action as necessary to administer and enforce this chapter.

Sec. 2309.102. RULES. (a) The commission shall adopt rules for licensing used automotive parts recyclers.

(b) The commission by rule shall adopt standards of conduct for license holders under this chapter.

Sec. 2309.103. EXAMINATION OF CRIMINAL CONVICTION. The department may conduct an examination of any criminal conviction of an applicant, including by obtaining any criminal history record information permitted by law.

SENATE VERSION

[Sections 2309.057-2309.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES OF COMMISSION AND DEPARTMENT

Sec. 2309.101. GENERAL POWERS AND DUTIES. The executive director or commission, as appropriate, may take action as necessary to administer and enforce this chapter.

Sec. 2309.102. RULES. (a) The commission shall adopt rules for licensing used automotive parts recyclers and used automotive parts employees.

(b) The commission by rule shall adopt standards of conduct for license holders under this chapter.

Sec. 2309.103. RULES REGARDING LICENSING AND STANDARDS OF CONDUCT. (a) The commission shall adopt rules for licensing applicants, including rules for denial of an application if the applicant, a partner, principal, officer, or general manager of the applicant, or another license or permit holder with a connection to the applicant, has:
(1) before the application date, been convicted of, pleaded guilty or nolo contendere to, or been placed on deferred adjudication for:
(A) a felony; or
(B) a misdemeanor punishable by confinement in jail or

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2309.104. FEES. The commission shall establish and collect reasonable and necessary fees in amounts sufficient to cover the costs of administering this chapter.
Sec. 2309.105. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) The commission may not adopt a rule restricting advertising or competitive bidding by a person who holds a license issued under this chapter except to prohibit false, misleading, or deceptive practices by the person.
(b) The commission may not include in its rules to prohibit false, misleading, or deceptive practices a rule that:
(1) restricts the use of any advertising medium;
(2) restricts the person's personal appearance or use of the person's voice in an advertisement;
(3) relates to the size or duration of an advertisement by the person; or
(4) restricts the use of a trade name in advertising by the person.
Sec. 2309.106. PERIODIC AND RISK-BASED

SENATE VERSION

by a fine exceeding \$500;
(2) violated an order of the commission or executive director, including an order for sanctions or administrative penalties; or
(3) knowingly submitted false information on the application.
(b) The commission by rule shall adopt standards of conduct for license holders under this chapter.
Sec. 2309.104. FEES. The commission shall establish and collect reasonable and necessary fees in amounts sufficient to cover the costs of administering this chapter.
Sec. 2309.105. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) The commission may not adopt a rule restricting advertising or competitive bidding by a person who holds a license issued under this chapter except to prohibit false, misleading, or deceptive practices by the person.
(b) The commission may not include in its rules to prohibit false, misleading, or deceptive practices a rule that:
(1) restricts the use of any advertising medium;
(2) restricts the person's personal appearance or use of the person's voice in an advertisement;
(3) relates to the size or duration of an advertisement by the person; or
(4) restricts the use of a trade name in advertising by the person.
Sec. 2309.106. PERIODIC AND RISK-BASED

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

INSPECTIONS.

(a) The department may enter and inspect at any time during business hours:

(1) the place of business of any person regulated under this chapter; or

(2) any place in which the department has reasonable cause to believe that a license holder is in violation of this chapter or in violation of a rule or order of the commission or executive director.

(b) The department shall conduct additional inspections based on a schedule of risk-based inspections using the following criteria:

(1) the type and nature of the used automotive parts recycler;

(2) the inspection history;

(3) any history of complaints involving a used automotive parts recycler; and

(4) any other factor determined by the commission by rule.

(c) A used automotive parts recycler shall pay a fee for each risk-based inspection performed under this section. The commission by rule shall set the amount of the fee.

(d) In conducting an inspection under this section, the department may inspect a facility, a used automotive part, a business record, or any other place or thing reasonably required to enforce this chapter or a rule or order adopted under this chapter.

SENATE VERSION

INSPECTIONS. (a) The department shall inspect each used automotive parts recycling facility at least once every two years.

(b) The department may enter and inspect at any time during business hours:

(1) the place of business of any person regulated under this chapter; or

(2) any place in which the department has reasonable cause to believe that a license holder is in violation of this chapter or in violation of a rule or order of the commission or executive director.

(c) The department shall conduct additional inspections based on a schedule of risk-based inspections using the following criteria:

(1) the inspection history;

(2) any history of complaints involving a used automotive parts recycler; and

(3) any other factor determined by the commission by rule.

(d) A used automotive parts recycler shall pay a fee for each risk-based inspection performed under this section. The commission by rule shall set the amount of the fee.

(e) In conducting an inspection under this section, the department may inspect a facility, a used automotive part, a business record, or any other place or thing reasonably required to enforce this chapter or a rule or order adopted under this chapter.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2309.107. PERSONNEL. The department may employ personnel necessary to administer and enforce this chapter.

[Sections 2309.108-2309.150 reserved for expansion]

SUBCHAPTER D. LICENSE REQUIREMENTS

Sec. 2309.151. LICENSE REQUIRED. Unless the person holds an appropriate license issued under this chapter, a person may not own or operate a used automotive parts recycling business or sell used automotive parts.

Sec. 2309.152. GENERAL LICENSE APPLICATION REQUIREMENTS. An applicant for a license under this chapter must submit to the department:

- (1) a completed application on a form prescribed by the executive director;
- (2) the required fees; and
- (3) any other information required by commission rule.

Sec. 2309.153. LICENSE REQUIREMENTS. An applicant for a license under this chapter must:

- (1) establish proof of financial responsibility in the

SENATE VERSION

Sec. 2309.107. PERSONNEL. The department may employ personnel necessary to administer and enforce this chapter.

[Sections 2309.108-2309.150 reserved for expansion]

SUBCHAPTER D. LICENSE REQUIREMENTS

Sec. 2309.151. **USED AUTOMOTIVE PARTS RECYCLER** LICENSE REQUIRED. (a) Unless the person holds a used automotive parts recycler license issued under this chapter, a person may not own or operate a used automotive parts recycling business or sell used automotive parts.

(b) A used automotive parts recycler license:

- (1) is valid only with respect to the person who applied for the license; and
- (2) authorizes the license holder to operate a used automotive parts recycling business only at the one facility listed on the license.

Sec. 2309.152. GENERAL LICENSE APPLICATION REQUIREMENTS. An applicant for a used automotive parts recycler license under this chapter must submit to the department:

- (1) a completed application on a form prescribed by the executive director;
- (2) the required fees; and
- (3) any other information required by commission rule.

Sec. 2309.153. LICENSE REQUIREMENTS. An applicant for a used automotive parts recycler license under this chapter must provide in a manner prescribed by the executive director:

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

manner prescribed by the executive director;

(2) provide proof of ownership or lease of the property where the applicant will operate a used automotive parts recycling facility; and

(3) provide a storm water permit if the applicant is required by the Texas Commission on Environmental Quality to obtain a permit.

Sec. 2309.154. NONTRANSFERABILITY OF LICENSE. A license issued by the executive director is valid throughout this state and is not transferable.

Sec. 2309.155. CONTINUING EDUCATION. (a) The commission by rule shall recognize or prepare and administer continuing education programs for license holders. Each license holder must complete a continuing education program before the license holder may renew the license holder's license.

(b) A person recognized by the commission to offer a continuing education program must:

SENATE VERSION

(1) a federal tax identification number;

(2) proof of general liability insurance in an amount not less than \$250,000; and

(3) proof of a storm water permit if the applicant is required by the Texas Commission on Environmental Quality to obtain a permit.

Sec. 2309.154. USED AUTOMOTIVE PARTS EMPLOYEE LICENSE REQUIRED. (a) A person employed by a used automotive parts recycler may not in the scope of the person's employment acquire a vehicle or used automotive parts and may not sell used automotive parts unless the person holds a used automotive parts employee license issued under this chapter.

(b) The commission by rule shall adopt requirements for the application for and issuance of a used automotive parts employee license under this chapter.

Sec. 2309.155. NONTRANSFERABILITY OF LICENSE. A license issued by the executive director is valid throughout this state and is not transferable.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

- (1) register with the department; and
- (2) comply with rules adopted by the commission relating to continuing education.

Sec. 2309.156. LICENSE RENEWAL. (a) A license issued under this chapter is valid for one year. The department may adopt a system under which licenses expire at different times during the year.

(b) The department shall notify the license holder at least 30 days before the date a license expires. The notice must be in writing and sent to the license holder's last known address according to the records of the department.

(c) A license holder may renew a license issued under this chapter by:

- (1) paying a renewal fee;
- (2) providing to the department evidence of financial responsibility;
- (3) providing proof of ownership or lease of the property where the license holder operates a used automotive parts recycling facility;
- (4) providing a storm water permit if the license holder is required by the Texas Commission on Environmental Quality to obtain a permit; and
- (5) completing continuing education as required by Section 2309.155.

[Sections 2309.157-2309.200 reserved for expansion]

SUBCHAPTER E. LOCAL REGULATION

Sec. 2309.201. APPLICABILITY OF CERTAIN MUNICIPAL ORDINANCES, LICENSES, AND

SENATE VERSION

Sec. 2309.156. LICENSE RENEWAL. (a) A license issued under this chapter is valid for one year. The department may adopt a system under which licenses expire at different times during the year.

(b) The department shall notify the license holder at least 30 days before the date a license expires. The notice must be in writing and sent to the license holder's last known address according to the records of the department.

(c) The commission by rule shall adopt requirements to renew a license issued under this chapter.

[Sections 2309.157-2309.200 reserved for expansion]

SUBCHAPTER E. LOCAL REGULATION

Sec. 2309.201. APPLICABILITY OF CERTAIN MUNICIPAL ORDINANCES, LICENSES, AND

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

PERMITS. (a) The requirements of this chapter apply in addition to the requirements of any applicable municipal ordinance relating to the regulation of a person who deals in **nonrepairable or salvage motor vehicles or used automotive parts.**

(b) This chapter does not prohibit the enforcement of an applicable municipal license or permit requirement that is related to an activity regulated under this chapter.

[Sections 2309.202-2309.250 reserved for expansion]

SUBCHAPTER F. ENFORCEMENT

Sec. 2309.251. ADMINISTRATIVE PENALTY. (a) The commission may impose an administrative penalty on a person under Subchapter F, Chapter 51, regardless of whether the person holds a license under this chapter, if the person violates:

- (1) this chapter or a rule adopted under this chapter; or
- (2) a rule or order of the executive director or commission.

(b) An administrative penalty may not be imposed unless the person charged with a violation is provided the opportunity for a hearing.

Sec. 2309.252. CEASE AND DESIST ORDER; INJUNCTION; CIVIL PENALTY. (a) The executive director may issue a cease and desist order as necessary to enforce this chapter if the executive director determines that the action is necessary to prevent a violation of this chapter and to protect public health and safety.

(b) The attorney general or executive director may

SENATE VERSION

PERMITS. (a) The requirements of this chapter apply in addition to the requirements of any applicable municipal ordinance relating to the regulation of a person who deals in used automotive parts.

(b) This chapter does not prohibit the enforcement of an applicable municipal license or permit requirement that is related to an activity regulated under this chapter.

[Sections 2309.202-2309.250 reserved for expansion]

SUBCHAPTER F. ENFORCEMENT

Sec. 2309.251. ADMINISTRATIVE PENALTY. (a) The commission may impose an administrative penalty on a person under Subchapter F, Chapter 51, regardless of whether the person holds a license under this chapter, if the person violates:

- (1) this chapter or a rule adopted under this chapter; or
- (2) a rule or order of the executive director or commission.

(b) An administrative penalty may not be imposed unless the person charged with a violation is provided the opportunity for a hearing.

Sec. 2309.252. CEASE AND DESIST ORDER; INJUNCTION; CIVIL PENALTY. (a) The executive director may issue a cease and desist order as necessary to enforce this chapter if the executive director determines that the action is necessary to prevent a violation of this chapter and to protect public health and safety.

(b) The attorney general or executive director may

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

institute an action for an injunction or a civil penalty under this chapter as provided by Section 51.352.

Sec. 2309.253. SANCTIONS. The department may impose sanctions as provided by Section 51.353.

Sec. 2309.254. CRIMINAL PENALTY; LICENSING.

(a) A person commits an offense if the person:

(1) violates the licensing requirements of this chapter;

(2) deals in used parts without a license; or

(3) employs an individual who does not hold the appropriate license required by this chapter.

(b) An offense under this section is a Class C misdemeanor.

[Sections 2309.255-2309.300 reserved for expansion]

SUBCHAPTER G. CONDUCTING BUSINESS

Sec. 2309.301. DUTIES ON ACQUISITION OF SALVAGE MOTOR VEHICLE. (a) A used automotive parts recycler who acquires ownership of a salvage motor vehicle shall obtain a properly assigned title from the previous owner of the vehicle.

(b) A used automotive parts recycler who acquires ownership of a motor vehicle, nonrepairable motor vehicle, or salvage motor vehicle for the purpose of dismantling, scrapping, or destroying the motor vehicle shall, before the 61st day after the date of acquiring the motor vehicle, submit to the Texas Department of Transportation a report stating that the motor vehicle will be dismantled, scrapped, or destroyed. The recycler shall:

SENATE VERSION

institute an action for an injunction or a civil penalty under this chapter as provided by Section 51.352.

Sec. 2309.253. SANCTIONS. The department may impose sanctions as provided by Section 51.353.

Sec. 2309.254. CRIMINAL PENALTY; LICENSING.

(a) A person commits an offense if the person:

(1) violates the licensing requirements of this chapter;

(2) deals in used parts without a license required by this chapter; or

(3) employs an individual who does not hold the appropriate license required by this chapter.

(b) An offense under this section is a Class C misdemeanor.

[Sections 2309.255-2309.300 reserved for expansion]

SUBCHAPTER G. CONDUCTING BUSINESS

Sec. 2309.301. DUTIES ON ACQUISITION OF SALVAGE MOTOR VEHICLE. (a) A used automotive parts recycler who acquires ownership of a salvage motor vehicle shall obtain a properly assigned title from the previous owner of the vehicle.

(b) A used automotive parts recycler who acquires ownership of a motor vehicle, nonrepairable motor vehicle, or salvage motor vehicle for the purpose of dismantling, scrapping, or destroying the motor vehicle, shall, before the 31st day after the date of acquiring the motor vehicle, submit to the Texas Department of Transportation

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(1) submit the report on a form prescribed by the Texas Department of Transportation; and

(2) 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.

(c) After receiving the report and title or document, the Texas Department of Transportation shall issue the used automotive parts recycler a receipt for the manufacturer's certificate of origin, regular certificate of title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state ownership document.

(d) The recycler shall comply with Subchapter E, Chapter 501, Transportation Code.

Sec. 2309.302. RECORDS OF PURCHASES. A used automotive parts recycler shall maintain a record of each motor vehicle, salvage motor vehicle, nonrepairable motor vehicle, and used automotive part purchased.

Sec. 2309.303. REGISTRATION OF NEW BUSINESS LOCATION. Before moving a place of business or opening an additional place of business, a used automotive parts recycler must notify the department of the new location. The used automotive parts recycler shall provide a storm water permit for the location if a permit is required by the Texas Commission on Environmental Quality.

SENATE VERSION

a properly assigned manufacturer's certificate of origin, regular certificate of title, nonrepairable vehicle title, salvage vehicle title, other ownership document, or comparable out-of-state ownership document for the motor vehicle.

(c) After receiving the title or document, the Texas Department of Transportation shall issue the used automotive parts recycler a receipt for the manufacturer's certificate of origin, regular certificate of title, nonrepairable vehicle title, salvage vehicle title, other ownership document, or comparable out-of-state ownership document.

(d) The recycler shall comply with Subchapter E, Chapter 501, Transportation Code.

Sec. 2309.302. RECORDS OF PURCHASES. A used automotive parts recycler shall maintain a record of or sales receipt for each motor vehicle, salvage motor vehicle, nonrepairable motor vehicle, and used automotive part purchased.

Sec. 2309.303. REGISTRATION OF NEW BUSINESS LOCATION. Before moving a place of business, a used automotive parts recycler must notify the department of the new location. The used automotive parts recycler shall provide a storm water permit for the location if a permit is required by the Texas Commission on Environmental Quality.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

[Sections 2309.304-2309.350 reserved for expansion]
SUBCHAPTER H. ADDITIONAL DUTIES OF USED
AUTOMOTIVE PARTS RECYCLER IN
CONNECTION WITH MOTOR VEHICLE
COMPONENT PARTS

Sec. 2309.351. DEFINITIONS. In this subchapter:

(1) "Component part" means a major component part as defined by Section 501.091, Transportation Code, or a minor component part.

(2) "Interior component part" means a motor vehicle's seat or radio.

(3) "Minor component part" means an interior component part, a special accessory part, or a motor vehicle part that displays or should display at least one of the following:

(A) a federal safety certificate;

(B) a motor number;

(C) a serial number or a derivative; or

(D) a manufacturer's permanent vehicle identification number or a derivative.

(4) "Special accessory part" means a motor vehicle's tire, wheel, tailgate, or removable glass top.

Sec. 2309.352. REMOVAL OF LICENSE PLATES. Immediately on receipt of a motor vehicle, a used automotive parts recycler shall:

(1) remove any unexpired license plates from the vehicle; and

(2) place the license plates in a secure place until destroyed by the used automotive parts recycler.

SENATE VERSION

[Sections 2309.304-2309.350 reserved for expansion]
SUBCHAPTER H. ADDITIONAL DUTIES OF USED
AUTOMOTIVE PARTS RECYCLER IN
CONNECTION WITH MOTOR VEHICLE
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(C) a serial number or a derivative; or

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(2) place the license plates in a secure place until destroyed by the used automotive parts recycler.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2309.353. RECEIPT OF MOTOR VEHICLE. A used automotive parts recycler may not take delivery of a motor vehicle unless the recycler first obtains:

- (1) a certificate of authority to dispose of the vehicle, a sales receipt, or a transfer document for the vehicle issued under Chapter 683, Transportation Code; or
- (2) a certificate of title showing that there are no liens on the vehicle or that all recorded liens have been released.

Sec. 2309.354. RECORD OF PURCHASE; INVENTORY OF PARTS. (a) A used automotive parts recycler shall keep an accurate and legible inventory of each used component part purchased by or delivered to the recycler. The inventory must contain a record of each part that includes:

- (1) the date of purchase or delivery;
- (2) the driver's license number of the seller and a legible photocopy of the seller's driver's license;
- (3) the license plate number of the motor vehicle in which the part was delivered;
- (4) a complete description of the part and, if applicable, the make, model, color, and size of the part; and
- (5) the vehicle identification number of the motor vehicle from which the part was removed.

(b) As an alternative to the information required by Subsection (a), a used automotive parts recycler may record:

- (1) the name of the person who sold the part or the motor vehicle from which the part was obtained; and

SENATE VERSION

Sec. 2309.353. DISMANTLEMENT OR DISPOSITION OF MOTOR VEHICLE. A used automotive parts recycler may not dismantle or dispose of a motor vehicle unless the recycler first obtains:

- (1) a certificate of authority to dispose of the vehicle, a sales receipt, or a transfer document for the vehicle issued under Chapter 683, Transportation Code; or
- (2) a certificate of title showing that there are no liens on the vehicle or that all recorded liens have been released.

Sec. 2309.354. RECORD OF PURCHASE; INVENTORY OF PARTS. (a) A used automotive parts recycler shall keep an accurate and legible record of each used component part purchased by or delivered to the recycler. The record must include:

- (1) the date of purchase or delivery;
- (2) the driver's license number of the seller and a legible photocopy of the seller's driver's license; and

(3) a description of the part and, if applicable, the make and model of the part.

(b) As an alternative to the information required by Subsection (a), a used automotive parts recycler may record:

- (1) the name of the person who sold the part or the motor vehicle from which the part was obtained; and

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(2) the Texas certificate of inventory number or the federal taxpayer identification number of the person.

(c) The department shall prescribe the form of the record required by Subsection (a) and shall make the form available to used automotive parts recyclers.

(d) This section does not apply to:

(1) an interior component part or special accessory part from a motor vehicle more than 10 years old; or

(2) a part delivered to a used automotive parts recycler by a commercial freight line, commercial carrier, or licensed used automotive parts recycler.

Sec. 2309.355. **ASSIGNMENT OF INVENTORY NUMBER.** (a) A used automotive parts recycler shall:

(1) assign a unique inventory number to each transaction in which the recycler purchases or takes delivery of a component part;

(2) attach that inventory number to each component part the recycler obtains in the transaction; and

(3) retain each component part in its original condition on the business premises of the recycler for at least three calendar days, excluding Sundays, after the date the recycler obtains the part.

(b) An inventory number attached to a component part under Subsection (a) may not be removed while the part remains in the inventory of the used automotive parts recycler.

(c) This section does not apply to the purchase by a used automotive parts recycler of a nonoperational engine, transmission, or rear axle assembly from another used

SENATE VERSION

(2) the Texas certificate of inventory number or the federal taxpayer identification number of the person.

(c) The department shall prescribe the form of the record required by Subsection (a) and shall make the form available to used automotive parts recyclers.

(d) This section does not apply to:

(1) an interior component part or special accessory part from a motor vehicle more than 10 years old; or

(2) a part delivered to a used automotive parts recycler by a commercial freight line, commercial carrier, or licensed used automotive parts recycler.

Sec. 2309.355. **RETENTION OF COMPONENT PARTS.** (a) A used automotive parts recycler shall

retain each component part in its original condition on the business premises of the recycler for at least three calendar days, excluding Sundays, after the date the recycler obtains the part.

(b) This section does not apply to the purchase by a used automotive parts recycler of a nonoperational engine, transmission, or rear axle assembly from another used

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

automotive parts recycler or an automotive-related business.

Sec. 2309.356. MAINTENANCE OF RECORDS. A used automotive parts recycler shall keep a record required under this subchapter on a form prescribed by the department or the Texas Department of Transportation. The recycler shall maintain copies of each record required under this subchapter until the first anniversary of the purchase date of the item for which the record is maintained.

Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS OR LICENSE PLATES. (a) On demand, a used automotive parts recycler shall surrender to the Texas Department of Transportation for cancellation a certificate of title or authority, sales receipt or transfer document, license plate, or inventory list that the recycler is required to possess or maintain.

(b) The Texas Department of Transportation shall provide a signed receipt for a surrendered certificate of title.

Sec. 2309.358. RESALE OF SALVAGE MOTOR VEHICLES OR NONREPAIRABLE MOTOR VEHICLES. (a) A used automotive parts recycler may sell salvage or nonrepairable vehicles only at the recycler's business location.

(b) Before reselling a salvage motor vehicle or nonrepairable motor vehicle, a used automotive parts recycler must post notice on the vehicle of the type of title appropriate to the vehicle.

SENATE VERSION

automotive parts recycler or an automotive-related business.

Sec. 2309.356. MAINTENANCE OF RECORDS. A used automotive parts recycler shall

maintain copies of each record required under this subchapter until the first anniversary of the purchase date of the item for which the record is maintained.

Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS OR LICENSE PLATES. (a) A used automotive parts recycler shall surrender to the Texas Department of Transportation for cancellation a certificate of title or authority, sales receipt, or transfer document, as required by the department.

(b) The Texas Department of Transportation shall provide a signed receipt for a surrendered certificate of title.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Sec. 2309.359. INSPECTION OF RECORDS. (a) A peace officer at any reasonable time may inspect a record required to be maintained under this subchapter, including an inventory record.

(b) On demand by a peace officer, a used automotive parts recycler shall provide to the officer a copy of a record required to be maintained under this subchapter.

(c) A peace officer may inspect the inventory on the premises of a used automotive parts recycler at any reasonable time to verify, check, or audit the records required to be maintained under this subchapter.

(d) A used automotive parts recycler or an employee of the recycler shall allow and may not interfere with a peace officer's inspection of the recycler's inventory, premises, or required inventory records.

[Sections 2309.360-2309.400 reserved for expansion]

SUBCHAPTER I. MOTOR VEHICLE SALVAGE YARDS IN CERTAIN COUNTIES

Sec. 2309.401. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to a used automotive parts facility located in a county with a population of 2.8 million or more.

Sec. 2309.402. LIMITS ON OPERATION OF HEAVY MACHINERY. (a) A used automotive parts recycler may not operate heavy machinery in a used automotive parts recycling facility between the hours of 7 p.m. of one day and 7 a.m. of the following day.

(b) This section does not apply to conduct necessary to a sale or purchase by the recycler.

SENATE VERSION

Sec. 2309.358. INSPECTION OF RECORDS. (a) A peace officer at any reasonable time may inspect a record required to be maintained under this subchapter, including an inventory record.

(b) On demand by a peace officer, a used automotive parts recycler shall provide to the officer a copy of a record required to be maintained under this subchapter.

(c) A peace officer may inspect the inventory on the premises of a used automotive parts recycler at any reasonable time to verify, check, or audit the records required to be maintained under this subchapter.

(d) A used automotive parts recycler or an employee of the recycler shall allow and may not interfere with a peace officer's inspection of the recycler's inventory, premises, or required inventory records.

[Sections 2309.359-2309.400 reserved for expansion]

SUBCHAPTER I. MOTOR VEHICLE SALVAGE YARDS IN CERTAIN COUNTIES

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(b) This section does not apply to conduct necessary to a sale or purchase by the recycler.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(b) Section 2302.253, Occupations Code, is repealed.

(c) Not later than January 1, 2010, the Texas Commission of Licensing and Regulation shall adopt rules under Section 2309.102, Occupations Code, as added by Subsection (a) of this section.

(d) Section 2309.151, Occupations Code, as added by Subsection (a) of this section, and Subchapter F, Chapter 2309, Occupations Code, **as added by Subsection (a) of this section**, take effect September 1, 2010.

SECTION 3I.12.

Section 2301.002(33), Occupations Code, is repealed.

PART J. PENAL CODE

SECTION 3J.01. Section 31.03(c), Penal Code, is amended to read as follows:

(c) For purposes of Subsection (b):

(1) evidence that the actor has previously participated in recent transactions other than, but similar to, that which the prosecution is based is admissible for the purpose of showing knowledge or intent and the issues of knowledge or intent are raised by the actor's plea of not

SENATE VERSION

SECTION 4.12. Section 2302.253, Occupations Code, is repealed.

SECTION 4.13. Not later than January 1, 2010, the Texas Commission of Licensing and Regulation shall adopt rules under Section 2309.102, Occupations Code, as added by this Act.

SECTION 4.15. Sections 2309.151 **and 2309.154**, Occupations Code, as added by this article, and Subchapter F, Chapter 2309, Occupations Code, **as added by this article**, take effect September 1, 2010.

SECTION 2R.02.

SECTION 3I.10.

Subdivision (33), Section 2301.002, Occupations Code, is repealed.

Same as House version.

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

guilty;

(2) the testimony of an accomplice shall be corroborated by proof that tends to connect the actor to the crime, but the actor's knowledge or intent may be established by the uncorroborated testimony of the accomplice;

(3) an actor engaged in the business of buying and selling used or secondhand personal property, or lending money on the security of personal property deposited with the actor, is presumed to know upon receipt by the actor of stolen property (other than a motor vehicle subject to Chapter 501, Transportation Code) that the property has been previously stolen from another if the actor pays for or loans against the property \$25 or more (or consideration of equivalent value) and the actor knowingly or recklessly:

(A) fails to record the name, address, and physical description or identification number of the seller or pledgor;

(B) fails to record a complete description of the property, including the serial number, if reasonably available, or other identifying characteristics; or

(C) fails to obtain a signed warranty from the seller or pledgor that the seller or pledgor has the right to possess the property. It is the express intent of this provision that the presumption arises unless the actor complies with each of the numbered requirements;

(4) for the purposes of Subdivision (3)(A), "identification number" means driver's license number, military identification number, identification certificate,

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

or other official number capable of identifying an individual;

(5) stolen property does not lose its character as stolen when recovered by any law enforcement agency;

(6) an actor engaged in the business of obtaining abandoned or wrecked motor vehicles or parts of an abandoned or wrecked motor vehicle for resale, disposal, scrap, repair, rebuilding, demolition, or other form of salvage is presumed to know on receipt by the actor of stolen property that the property has been previously stolen from another if the actor knowingly or recklessly:

(A) fails to maintain an accurate and legible inventory of each motor vehicle component part purchased by or delivered to the actor, including the date of purchase or delivery, the name, age, address, sex, and driver's license number of the seller or person making the delivery, the license plate number of the motor vehicle in which the part was delivered, a complete description of the part, and the vehicle identification number of the motor vehicle from which the part was removed, or in lieu of maintaining an inventory, fails to record the name and certificate of inventory number of the person who dismantled the motor vehicle from which the part was obtained;

(B) fails on receipt of a motor vehicle to obtain a certificate of authority, sales receipt, or transfer document as required by Chapter 683, Transportation Code, or a certificate of title showing that the motor vehicle is not subject to a lien or that all recorded liens

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

on the motor vehicle have been released; or

(C) fails on receipt of a motor vehicle to immediately remove an unexpired license plate from the motor vehicle, to keep the plate in a secure and locked place, or to maintain an inventory, on forms provided by the Texas Department of Motor Vehicles [~~Transportation~~], of license plates kept under this paragraph, including for each plate or set of plates the license plate number and the make, motor number, and vehicle identification number of the motor vehicle from which the plate was removed;

(7) an actor who purchases or receives a used or secondhand motor vehicle is presumed to know on receipt by the actor of the motor vehicle that the motor vehicle has been previously stolen from another if the actor knowingly or recklessly:

(A) fails to report to the Texas Department of Motor Vehicles [~~Transportation~~] the failure of the person who sold or delivered the motor vehicle to the actor to deliver to the actor a properly executed certificate of title to the motor vehicle at the time the motor vehicle was delivered; or

(B) fails to file with the county tax assessor-collector of the county in which the actor received the motor vehicle, not later than the 20th day after the date the actor received the motor vehicle, the registration license receipt and certificate of title or evidence of title delivered to the actor in accordance with Subchapter D, Chapter 520, Transportation Code, at the time the motor

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

vehicle was delivered;

(8) an actor who purchases or receives from any source other than a licensed retailer or distributor of pesticides a restricted-use pesticide or a state-limited-use pesticide or a compound, mixture, or preparation containing a restricted-use or state-limited-use pesticide is presumed to know on receipt by the actor of the pesticide or compound, mixture, or preparation that the pesticide or compound, mixture, or preparation has been previously stolen from another if the actor:

(A) fails to record the name, address, and physical description of the seller or pledgor;

(B) fails to record a complete description of the amount and type of pesticide or compound, mixture, or preparation purchased or received; and

(C) fails to obtain a signed warranty from the seller or pledgor that the seller or pledgor has the right to possess the property; and

(9) an actor who is subject to Section 409, Packers and Stockyards Act (7 U.S.C. Section 228b), that obtains livestock from a commission merchant by representing that the actor will make prompt payment is presumed to have induced the commission merchant's consent by deception if the actor fails to make full payment in accordance with Section 409, Packers and Stockyards Act (7 U.S.C. Section 228b).

SECTION 3J.02. Section 31.11(b), Penal Code, is

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

amended to read as follows:

- (b) It is an affirmative defense to prosecution under this section that the person was:
 - (1) the owner or acting with the effective consent of the owner of the property involved;
 - (2) a peace officer acting in the actual discharge of official duties; or
 - (3) acting with respect to a number assigned to a vehicle by the Texas Department of Transportation or the Texas Department of Motor Vehicles, as applicable, and the person was:
 - (A) in the actual discharge of official duties as an employee or agent of the department; or
 - (B) in full compliance with the rules of the department as an applicant for an assigned number approved by the department.

PART K. TAX CODE

Same as House version.

SECTION 3K.01. Section 21.02(d), Tax Code, is amended to read as follows:

Same as House version.

- (d) A motor vehicle does not have taxable situs in a taxing unit under Subsection (a)(1) if, on January 1, the vehicle:
 - (1) has been located for less than 60 days at a place of business of a person who holds a wholesale motor vehicle auction general distinguishing number issued by

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

the Texas Department of Motor Vehicles [~~Transportation~~] under Chapter 503, Transportation Code, for that place of business; and
(2) is offered for resale.

SECTION 3K.02. Section 22.04(d), Tax Code, is amended to read as follows:

(d) This section does not apply to a motor vehicle that on January 1 is located at a place of business of a person who holds a wholesale motor vehicle auction general distinguishing number issued by the Texas Department of Motor Vehicles [~~Transportation~~] under Chapter 503, Transportation Code, for that place of business, and that:

(1) has not acquired taxable situs under Section 21.02(a)(1) in a taxing unit that participates in the appraisal district because the vehicle is described by Section 21.02(d);

(2) is offered for sale by a dealer who holds a dealer's general distinguishing number issued by the Texas Department of Motor Vehicles [~~Transportation~~] under Chapter 503, Transportation Code, and whose inventory of motor vehicles is subject to taxation in the manner provided by Sections 23.121 and 23.122; or

(3) is collateral possessed by a lienholder and offered for sale in foreclosure of a security interest.

Same as House version.

SECTION 3K.03. Sections 23.121(a)(3), (11), and (14),

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Tax Code, are amended to read as follows:

(3) "Dealer" means a person who holds a dealer's general distinguishing number issued by the Texas Department of Motor Vehicles [~~Transportation~~] under the authority of Chapter 503, Transportation Code, or who is legally recognized as a motor vehicle dealer pursuant to the law of another state and who complies with the terms of Section 152.063(f). The term does not include:

(A) a person who holds a manufacturer's license issued under Chapter 2301, Occupations Code [~~by the Motor Vehicle Board of the Texas Department of Transportation~~];

(B) an entity that is owned or controlled by a person who holds a manufacturer's license issued under Chapter 2301, Occupations Code [~~by the Motor Vehicle Board of the Texas Department of Transportation~~]; or

(C) a dealer whose general distinguishing number issued by the Texas Department of Motor Vehicles [~~Transportation~~] under the authority of Chapter 503, Transportation Code, prohibits the dealer from selling a vehicle to any person except a dealer.

(11) "Sales price" means the total amount of money paid or to be paid for the purchase of a motor vehicle as set forth as "sales price" in the form entitled "Application for Texas Certificate of Title" promulgated by the Texas Department of Motor Vehicles [~~Transportation~~]. In a transaction that does not involve the use of that form, the term means an amount of money that is equivalent, or

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

substantially equivalent, to the amount that would appear as "sales price" on the Application for Texas Certificate of Title if that form were involved.

(14) "Towable recreational vehicle" means a nonmotorized vehicle that is designed for temporary human habitation for recreational, camping, or seasonal use and:

(A) is titled and registered with the Texas Department of Motor Vehicles [~~Transportation~~] through the office of the collector;

(B) is permanently built on a single chassis;

(C) contains one or more life support systems; and

(D) is designed to be towable by a motor vehicle.

SECTION 3K.04. Sections 23.121(f), (g), and (h), Tax Code, are amended to read as follows:

(f) The comptroller shall promulgate a form entitled Dealer's Motor Vehicle Inventory Declaration. Except as provided by Section 23.122(1) [~~of this code~~], not later than February 1 of each year, or, in the case of a dealer who was not in business on January 1, not later than 30 days after commencement of business, each dealer shall file a declaration with the chief appraiser and file a copy with the collector. For purposes of this subsection, a dealer is presumed to have commenced business on the date of issuance to the dealer of a dealer's general distinguishing number as provided by Chapter 503, Transportation Code. Notwithstanding the presumption

SENATE VERSION

Same as House version.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

created by this subsection, a chief appraiser may, at his or her sole discretion, designate as the date on which a dealer commenced business a date other than the date of issuance to the dealer of a dealer's general distinguishing number. The declaration is sufficient to comply with this subsection if it sets forth the following information:

- (1) the name and business address of each location at which the dealer owner conducts business;
- (2) each of the dealer's general distinguishing numbers issued by the Texas Department of Motor Vehicles [~~Transportation~~];
- (3) a statement that the dealer owner is the owner of a dealer's motor vehicle inventory; and
- (4) the market value of the dealer's motor vehicle inventory for the current tax year as computed under Section 23.121(b) [~~of this code~~].

(g) Under the terms provided by this subsection, the chief appraiser may examine the books and records of the holder of a general distinguishing number issued by the Texas Department of Motor Vehicles [~~Transportation~~]. A request made under this subsection must be made in writing, delivered personally to the custodian of the records, at the location for which the general distinguishing number has been issued, must provide a period not less than 15 days for the person to respond to the request, and must state that the person to whom it is addressed has the right to seek judicial relief from compliance with the request. In a request made under this section the chief appraiser may examine:

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(1) the document issued by the Texas Department of Motor Vehicles [~~Transportation~~] showing the person's general distinguishing number;

(2) documentation appropriate to allow the chief appraiser to ascertain the applicability of this section and Section 23.122 [~~of this code~~] to the person;

(3) sales records to substantiate information set forth in the dealer's declaration filed by the person.

(h) If a dealer fails to file a declaration as required by this section, or if, on the declaration required by this section, a dealer reports the sale of fewer than five motor vehicles in the prior year, the chief appraiser shall report that fact to the Texas Department of Motor Vehicles [~~Transportation~~] and the department shall initiate termination proceedings. The chief appraiser shall include with the report a copy of a declaration, if any, indicating the sale by a dealer of fewer than five motor vehicles in the prior year. A report by a chief appraiser to the Texas Department of Motor Vehicles [~~Transportation~~] as provided by this subsection is prima facie grounds for the cancellation of the dealer's general distinguishing number under Section 503.038(a)(9), Transportation Code, or for refusal by the Texas Department of Motor Vehicles [~~Transportation~~] to renew the dealer's general distinguishing number.

SECTION 3K.05. Section 23.123(c), Tax Code, is amended to read as follows:

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(c) Information made confidential by this section may be disclosed:

(1) in a judicial or administrative proceeding pursuant to a lawful subpoena;

(2) to the person who filed the declaration or statement or to that person's representative authorized by the person in writing to receive the information;

(3) to the comptroller or an employee of the comptroller authorized by the comptroller to receive the information;

(4) to a collector or chief appraiser;

(5) to a district attorney, criminal district attorney or county attorney involved in the enforcement of a penalty imposed pursuant to Section 23.121 or Section 23.122 ~~[of this code]~~;

(6) for statistical purposes if in a form that does not identify specific property or a specific property owner;

(7) if and to the extent that the information is required for inclusion in a public document or record that the appraisal or collection office is required by law to prepare or maintain; or

(8) to the Texas Department of Motor Vehicles ~~[Transportation]~~ for use by that department in auditing compliance of its licensees with appropriate provisions of applicable law.

SECTION 3K.06. Section 23.124(a)(11), Tax Code, is amended to read as follows:

(11) "Sales price" means the total amount of money paid

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

or to be paid for the purchase of:

(A) a vessel, other than a trailer that is treated as a vessel, as set forth as "sales price" in the form entitled "Application for Texas Certificate of Number/Title for Boat/Seller, Donor or Trader's Affidavit" promulgated by the Parks and Wildlife Department;

(B) an outboard motor as set forth as "sales price" in the form entitled "Application for Texas Certificate of Title for an Outboard Motor/Seller, Donor or Trader's Affidavit" promulgated by the Parks and Wildlife Department; or

(C) a trailer that is treated as a vessel as set forth as "sales price" in the form entitled "Application for Texas Certificate of Title" promulgated by the Texas Department of Motor Vehicles [~~Transportation~~].

In a transaction involving a vessel, an outboard motor, or a trailer that is treated as a vessel that does not involve the use of one of these forms, the term means an amount of money that is equivalent, or substantially equivalent, to the amount that would appear as "sales price" on the Application for Texas Certificate of Number/Title for Boat/Seller, Donor or Trader's Affidavit, the Application for Texas Certificate of Title for an Outboard Motor/Seller, Donor or Trader's Affidavit, or the Application for Texas Certificate of Title if one of these forms were involved.

SECTION 3K.07. Section 113.011, Tax Code, is

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

amended to read as follows:

Sec. 113.011. LIENS FILED WITH TEXAS DEPARTMENT OF MOTOR VEHICLES [~~TRANSPORTATION~~]. The comptroller shall furnish to the Texas Department of Motor Vehicles [~~Transportation~~] each release of a tax lien filed by the comptroller with that department.

SECTION 3K.08. Sections 152.0412(a) and (f), Tax Code, are amended to read as follows:

(a) In this section, "standard presumptive value" means the private-party transaction value of a motor vehicle, as determined by the Texas Department of Motor Vehicles [~~Transportation~~] based on an appropriate regional guidebook of a nationally recognized motor vehicle value guide service, or based on another motor vehicle guide publication that the department determines is appropriate if a private-party transaction value for the motor vehicle is not available from a regional guidebook described by this subsection.

(f) The Texas Department of Motor Vehicles [~~Transportation~~] shall maintain information on the standard presumptive values of motor vehicles as part of the department's registration and title system. The department shall update the information at least quarterly each calendar year and publish, electronically or otherwise, the updated information.

Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 3K.09. Section 152.042, Tax Code, is amended to read as follows:

Sec. 152.042. COLLECTION OF TAX ON METAL DEALER PLATES. A person required to pay the tax imposed by Section 152.027 shall pay the tax to the Texas Department of Motor Vehicles [~~Transportation~~], and the department may not issue the metal dealer's plates until the tax is paid.

Same as House version.

SECTION 3K.10. Section 152.121(b), Tax Code, is amended to read as follows:

(b) Taxes on metal dealer plates collected by the Texas Department of Motor Vehicles [~~Transportation~~] shall be deposited by the department in the state treasury in the same manner as are other taxes collected under this chapter.

Same as House version.

SECTION 3K.11. Section 162.001(52), Tax Code, is amended to read as follows:

(52) "Registered gross weight" means the total weight of the vehicle and carrying capacity shown on the registration certificate issued by the Texas Department of Motor Vehicles [~~Transportation~~].

Same as House version.

No equivalent provision.

ARTICLE __. MANUFACTURER OR DISTRIBUTOR OWNERSHIP, OPERATION, OR CONTROL OF

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

DEALERSHIP

No equivalent provision.

SECTION __. Section 2301.476, Occupations Code, is amended by adding Subsection (h-1) to read as follows:
(h-1) A person who on January 18, 2002, held both a converter's license to convert buses with a gross vehicle weight rating of 40,000 pounds or more and a franchised dealer's license to sell buses issued under this chapter may:
(1) regain and hold both licenses; and
(2) operate as both a converter and franchised dealer of bus conversions with a gross vehicle weight rating of 40,000 pounds or more but of no other type of vehicle.

No equivalent provision.

ARTICLE 4. USED AUTOMOTIVE PARTS RECYCLERS

No equivalent provision.

SECTION 4.02. Subsection (b), Section 2302.006, Occupations Code, is amended to read as follows:
(b) This chapter applies to a transaction in which a motor vehicle:
(1) is sold, transferred, released, or delivered to a metal recycler for the purpose of reuse or resale as a motor vehicle ~~[or as a source of used parts]~~; and
(2) is used for that purpose.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

No equivalent provision.

SECTION 4.05. Subsection (d), Section 2302.107, Occupations Code, is amended to read as follows:

(d) A salvage vehicle agent may acquire, sell, or otherwise deal in, nonrepairable or salvage motor vehicles [~~or used parts~~] as directed by the authorizing dealer.

No equivalent provision.

SECTION 4.06. Section 2302.202, Occupations Code, is amended to read as follows:

Sec. 2302.202. RECORDS OF PURCHASES. A salvage vehicle dealer shall maintain a record of each salvage motor vehicle [~~and each used part~~] purchased or sold by the dealer.

No equivalent provision.

SECTION 4.14. If there is a conflict between a provision of this Act and a provision of another Act of the 81st Legislature, Regular Session, 2009, that becomes law concerning the licensing or regulation of used automotive parts recyclers, this Act prevails regardless of the relative dates of enactment.

ARTICLE 4. TRANSFERS OF CERTAIN POWERS, DUTIES, OBLIGATIONS, AND RIGHTS OF ACTION

ARTICLE 5. Same as House version.

SECTION 4.01. (a) All powers, duties, obligations, and

SECTION 5.01. (a) All powers, duties, obligations, and

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

rights of action of the Motor Vehicle Division and the Vehicle Titles and Registration Division of the Texas Department of Transportation are transferred to the Texas Department of Motor Vehicles, and all powers, duties, obligations, and rights of action of the Texas Transportation Commission in connection or associated with those divisions of the Texas Department of Transportation are transferred to the board of the Texas Department of Motor Vehicles on November 1, 2009.

(b) The powers, duties, obligations, and rights of action of the portion of the Motor Carrier Division of the Texas Department of Transportation that is responsible for motor carrier registration and the enforcement of Subtitle F, Title 7, Transportation Code, are transferred to the Texas Department of Motor Vehicles, and the associated powers, duties, obligations, and rights of action of the Texas Transportation Commission are transferred to the board of the Texas Department of Motor Vehicles on November 1, 2009.

(c) In connection with the transfers required by Subsections (a) and (b) of this section, the personnel, furniture, computers, other property and equipment, files, and related materials used by the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section are transferred to the Texas Department of Motor Vehicles.

(d) The Texas Department of Motor Vehicles shall

SENATE VERSION

rights of action of the Motor Vehicle Division and the Vehicle Titles and Registration Division of the Texas Department of Transportation are transferred to the Texas Department of Motor Vehicles and all powers, duties, obligations, and rights of action of the Texas Transportation Commission in connection or associated with those divisions of the Texas Department of Transportation are transferred to the board of the Texas Department of Motor Vehicles on November 1, 2009.

(b) The powers, duties, obligations, and rights of action of the portion of the Motor Carrier Division of the Texas Department of Transportation that is responsible for motor carrier registration and the enforcement of Subtitle F, Title 7, Transportation Code, are transferred to the Texas Department of Motor Vehicles and the associated powers, duties, obligations, and rights of action of the Texas Transportation Commission are transferred to the board of the Texas Department of Motor Vehicles on November 1, 2009.

(c) In connection with the transfers required by Subsections (a) and (b) of this section, the personnel, furniture, computers, other property and equipment, files, and related materials used by the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section are transferred to the Texas Department of Motor Vehicles.

(d) The Texas Department of Motor Vehicles shall

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

continue any proceeding involving the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section that was brought before the effective date of this Act in accordance with the law in effect on the date the proceeding was brought, and the former law is continued in effect for that purpose.

(e) A certificate, license, document, permit, registration, or other authorization issued by the Motor Vehicle Division or the Vehicle Titles and Registration Division of the Texas Department of Transportation or a registration issued by the Motor Carrier Division of the Texas Department of Transportation that is in effect on the effective date of this Act remains valid for the period for which it was issued unless suspended or revoked by the Texas Department of Motor Vehicles.

(f) A rule adopted by the Texas Transportation Commission or the director of the Texas Department of Transportation in connection with or relating to the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section continues in effect until it is amended or repealed by the board of the Texas Department of Motor Vehicles or the Texas Department of Motor Vehicles, as applicable.

(g) The unobligated and unexpended balance of any appropriations made to the Texas Department of

SENATE VERSION

continue any proceeding involving the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section that was brought before the effective date of this Act in accordance with the law in effect on the date the proceeding was brought, and the former law is continued in effect for that purpose.

(e) A certificate, license, document, permit, registration, or other authorization issued by the Motor Vehicle Division or the Vehicle Titles and Registration Division of the Texas Department of Transportation or a registration issued by the Motor Carrier Division of the Texas Department of Transportation that is in effect on the effective date of this Act remains valid for the period for which it was issued unless suspended or revoked by the Texas Department of Motor Vehicles.

(f) A rule adopted by the Texas Transportation Commission or the executive director of the Texas Department of Transportation in connection with or relating to the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section continues in effect until it is amended or repealed by the board of the Texas Department of Motor Vehicles or the Texas Department of Motor Vehicles, as applicable.

(g) The unobligated and unexpended balance of any appropriations made to the Texas Department of

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Transportation in connection with or relating to the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the Texas Department of Motor Vehicles for the purpose of implementing the powers, duties, obligations, and rights of action transferred to that department under **Subsection (a)** of this section.

SECTION 4.02. (a) All powers, duties, obligations, and rights of action of the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation under Article 4413(37), Revised Statutes, are transferred to the Automobile Burglary and Theft Prevention Authority Division of the Texas Department of Motor Vehicles, and all powers, duties, obligations, and rights of action of the Texas Transportation Commission in connection or associated with the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation are transferred to the board of the Texas Department of

SENATE VERSION

Transportation in connection with or relating to the Motor Vehicle Division, the Vehicle Titles and Registration Division, or the portion of the Motor Carrier Division of the Texas Department of Transportation described in Subsection (b) of this section for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the Texas Department of Motor Vehicles for the purpose of implementing the powers, duties, obligations, and rights of action transferred to that department under **Subsections (a) and (b)** of this section.

(h) The Texas Department of Transportation shall continue, as necessary, to perform the duties and functions being transferred to the Texas Department of Motor Vehicles until the transfer of agency duties and functions is complete.

SECTION 5.02.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Motor Vehicles on November 1, 2009.

(b) In connection with the transfers required by Subsection (a) of this section,

the personnel, furniture, computers, other property and equipment, files, and related materials used by the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation are transferred to the Automobile Burglary and Theft Prevention Authority Division of the Texas Department of Motor Vehicles.

(c) The Automobile Burglary and Theft Prevention Authority Division of the Texas Department of Motor Vehicles shall continue any proceeding involving the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation that was brought before the effective date of this Act in accordance with the law in effect on the date the proceeding was brought, and the former law is continued in effect for that purpose.

(d) A certificate, license, document, permit, registration, or other authorization issued by the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation that is in effect on the effective date of this Act remains valid for the period for

SENATE VERSION

(a) In connection with the establishment by this Act of the Automobile Burglary and Theft Prevention Authority in the Texas Department of Motor Vehicles and with the transfer by this Act of the duty to provide personnel and services to the Automobile Burglary and Theft Prevention Authority from the Texas Department of Transportation to the Texas Department of Motor Vehicles, the personnel, furniture, computers, other property and equipment, files, and related materials used by the Automobile Burglary and Theft Prevention Authority are transferred to the Texas Department of Motor Vehicles.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

which it was issued unless suspended or revoked by the Automobile Burglary and Theft Prevention Authority Division of the Texas Department of Motor Vehicles.

(e) A rule adopted by the Automobile Burglary and Theft Prevention Authority Office of the Texas Department of Transportation, the Texas Transportation Commission, or the director of the Texas Department of Transportation in connection with or relating to the Automobile Burglary and Theft Prevention Authority Office of that department continues in effect until it is amended or repealed by the board of the Texas Department of Motor Vehicles or the Automobile Burglary and Theft Prevention Authority Division of the Texas Department of Motor Vehicles, as applicable.

(f) The unobligated and unexpended balance of any appropriations made to the Texas Department of Transportation in connection with or relating to the Automobile Burglary and Theft Prevention Authority Office of that department for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the Texas Department of Motor Vehicles for the purpose of implementing the powers, duties, obligations, and rights of action transferred to that department under Subsection (a) of this section.

SECTION 4.03. The Transportation Legislative Oversight Committee shall oversee the coordination and collaboration between the Texas Department of

SENATE VERSION

(b) The unobligated and unexpended balance of any appropriations made to the Texas Department of Transportation in connection with or relating to the Automobile Burglary and Theft Prevention Authority for the state fiscal biennium ending August 31, 2009, is transferred and reappropriated to the Texas Department of Motor Vehicles for the purpose of allowing the authority to continue to exercise its powers, duties, and obligations under the auspices of that department.

No equivalent provision.

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Transportation and the Texas Department of Motor Vehicles during the transitions required by Sections 4.01 and 4.02 of this article.

No equivalent provision.

SENATE VERSION

SECTION 5.03. (a) In addition to the positions of the Texas Department of Transportation assigned to the Vehicle Titles and Registration Division, Motor Vehicle Division, Motor Carrier Division, and Automobile Burglary and Theft Prevention Authority Division that are transferred to the Texas Department of Motor Vehicles, it is estimated that 75 other full-time equivalent employee positions of the Texas Department of Transportation primarily support the transferred divisions and, subject to this section, those positions are also transferred to the Texas Department of Motor Vehicles. The number of positions transferred under this subsection may be modified by agreement of the two agencies in a memorandum of understanding.

(b) If in another Act of the 81st Legislature, Regular Session, 2009, the legislature establishes a maximum number of full-time equivalent employee positions for the Texas Department of Motor Vehicles, the number of positions transferred under Subsection (a) of this section may not result in a number of full-time equivalent employee positions of that department that exceeds the maximum.

(c) When filling a position described by Subsection (a) of this section, the Texas Department of Motor Vehicles

CONFERENCE

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

shall give first consideration to an applicant who, as of September 1, 2009, was a full-time employee of the Texas Department of Transportation and primarily supported one or more of the transferred divisions.

ARTICLE 5. APPOINTMENT OF BOARD

ARTICLE 6. Same as House version.

SECTION 5.01. Not later than October 1, 2009, the governor shall appoint the members of the board of the Texas Department of Motor Vehicles in accordance with Subchapter B, Chapter 1001, Transportation Code, as added by this Act.

SECTION 6.01. Same as House version.

No equivalent provision.

ARTICLE 7. MEMORANDUM OF UNDERSTANDING

No equivalent provision.

SECTION 7.01. (a) The board of the Texas Department of Motor Vehicles and the Texas Transportation Commission shall enter into or revise a joint memorandum of understanding to coordinate the Texas Department of Motor Vehicles' and the Texas Department of Transportation's information systems to allow for the sharing of information so that each department may effectively and efficiently perform the functions and duties assigned to it. Neither the Texas

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Department of Motor Vehicles nor the Texas Department of Transportation may impose or collect a fee or charge in connection with the sharing of information under a joint memorandum of understanding entered into or revised under this section.

(b) The Texas Department of Motor Vehicles and the Texas Department of Transportation shall implement the joint memorandum of understanding using existing personnel and resources.

(c) Otherwise confidential information shared under the memorandum of understanding remains subject to the same confidentiality requirements and legal restrictions on access to the information that are imposed by law on the department that originally obtained or collected the information.

(d) Information may be shared under the memorandum of understanding without the consent of the person who is the subject of the information.

(e) The memorandum of understanding required by Subsection (a) of this section must be entered into or revised at the first official meeting of the board members of the Texas Department of Motor Vehicles.

SECTION 7.02. (a) In addition to the memorandum of understanding required by Section 7.01 of this article, the board of the Texas Department of Motor Vehicles and the Texas Transportation Commission may enter into or revise one or more other joint memoranda of

No equivalent provision.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

understanding necessary to effectuate the transfer of the powers and duties of the Texas Department of Transportation to the Texas Department of Motor Vehicles under this Act. A memorandum of understanding may include an agreement for the provision of office space, utilities, and other facility services; the need for full-time equivalent positions of the Texas Department of Transportation to provide support services in addition to the positions transferred to the Texas Department of Motor Vehicles under Section 5.01 of this Act; support services; and the transfer of information technology as necessary or appropriate to effectuate the transfer of the powers and duties of the Texas Department of Transportation to the Texas Department of Motor Vehicles.

(b) Subsections (b), (c), and (d) of Section 7.01 of this article apply to a memorandum of understanding entered into or revised under Subsection (a) of this section.

No equivalent provision.

ARTICLE 8. DEPARTMENT OF MOTOR VEHICLES
TRANSITION TEAM

No equivalent provision.

SECTION 8.01. (a) The Texas Department of Transportation shall establish a Department of Motor Vehicles Transition Team to plan for and make recommendations regarding the transfer of obligations, property, full-time equivalent positions, rights, powers,

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

and duties from the Texas Department of Transportation to the Texas Department of Motor Vehicles. The transition team must include the division directors from the Motor Vehicle Division, the Vehicle Titles and Registration Division, and the Motor Carrier Division and the Assistant Executive Director for Support Operations.

(b) Not later than October 1, 2009, the transition team shall report on and make recommendations to the board of the Texas Department of Motor Vehicles , the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of the senate and house committees with jurisdiction over transportation regarding the transfer of obligations, property, full-time equivalent positions, rights, powers, and duties from the Texas Department of Transportation to the Texas Department of Motor Vehicles.

ARTICLE 6. FINANCIAL AUDIT

SECTION 6.01. (a) As soon as practicable after the effective date of this Act, the office of the state auditor shall conduct an initial financial audit to establish financial benchmarks for the Texas Department of Motor Vehicles on its overall status and condition in relation to funds on hand, equipment and other assets, pending matters, and other issues considered appropriate by the

ARTICLE 9. Same as House version.

SECTION 9.01. Same as House version.

House Bill 3097
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

office of the state auditor.

(b) As soon as practicable after the completion of the audit required by Subsection (a) of this section, the results of the audit shall be reported by the office of the state auditor to the board of the Texas Department of Motor Vehicles and to the Texas Transportation Commission. The office of the state auditor shall also provide a copy of the audit to the board and the commission.

ARTICLE 7. EFFECTIVE DATE

SECTION 7.01. This Act takes effect September 1, 2009.

SENATE VERSION

ARTICLE 10. Same as House version.

SECTION 10.01. Same as House version.

CONFERENCE