

Amend CSHB 2357 (senate committee report) as follows:

(1) In SECTION 174 of the bill, in amended Section 504.003(c), (redesignated as 504.009(c)) Transportation Code (page 74, line 32), strike "September 1" and substitute "November 19 [~~September 1~~]".

(2) In SECTION 174 of the bill, in amended Section 504.003(c-1), (redesignated as 504.009(c-1)) Transportation Code (page 74, line 44), strike "September 1" and substitute "November 19 [~~September 1~~]".

(3) Strike the recital to SECTION 199 of the bill, amending Section 504.614, Transportation Code (page 79, lines 11 and 12), and substitute the following:

Section 504.614, Transportation Code, is amended by amending Subsection (a) and adding Subsection (b-1) to read as follows:

(4) In SECTION 199 of the bill, after amended Section 504.614(a), Transportation Code (page 79, between lines 24 and 25), add the following:

(b-1) A public entity that receives money under Subsection (b) may contract with the private vendor under Section 504.6011 to distribute the entity's portion of the money in a manner other than that described by Subsection (b).

(5) In the recital to SECTION 207 of the bill (page 80, line 51), strike "504.801(a) and (b)" and substitute "504.801(a), (b), (d), and (d-1)".

(6) In SECTION 207 of the bill, after amended Section 504.801(b), Transportation Code (page 80, immediately following line 69), add the following:

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

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

(7) Strike SECTIONS 208 and 209 of the bill, amending Sections 504.851 and 504.853, Transportation Code (page 81, lines 1

through 15), and substitute the following:

SECTION 208. Section 504.851, Transportation Code, is amended by amending Subsections (a-2), (c), (e), (f), and (h) and adding Subsections (a-3) and (m) to read as follows:

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

(1) specialty license plates created under Subchapters G and I on or after November 19 [~~September 1~~], 2009; and

(2) at the request of the specialty license plate sponsor, an existing specialty license plate created under Subchapters G and I before November 19 [~~September 1~~], 2009.

(a-3) The department may contract with the private vendor for the vendor to:

(1) host all or some of the specialty license plates on the vendor's website;

(2) process the purchase of specialty license plates hosted on the vendor's website and pay any additional transaction cost; and

(3) share in the personalization fee for the license plates hosted on the vendor's website.

(c) The board 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 or hosted on the private vendor's website. The state's portion of the personalization fee may not be less than \$40 for each year issued. Other fees [~~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.

(e) The portion of a contract with a private vendor regarding the marketing and sale of personalized license plates is payable only from amounts derived from the collection of the fee established under Subsection (b). The portion of a contract with a private vendor regarding the marketing, hosting, and sale of souvenir license plates, specialty license plates, or souvenir or specialty license plates that are personalized under Section 504.102 is payable only from amounts derived from the collection of the fee established under Subsection (c).

(f) The department may approve new design and color combinations for personalized or specialty license plates that are marketed and sold by a private vendor under a contract entered into with the private vendor. Each approved license plate design and color combination remains the property of the department.

(h) Subject to the limitations provided by Subsections (g) and (g-1), the department may disapprove a design, cancel a license plate, or require the discontinuation of a license plate design or color combination that is marketed, hosted, or ~~and~~ sold by a private vendor under contract at any time if the department determines that the disapproval, cancellation, or discontinuation is in the best interest of this state or the motoring public.

(m) If the private vendor ceases operation:

(1) the program may be operated temporarily by the department under new agreements with the license plate sponsors until another vendor is selected and begins operation; and

(2) the private vendor's share of the revenue is deposited to the credit of the general revenue fund.

SECTION 209. Section 504.853, Transportation Code, is amended to read as follows:

Sec. 504.853. SPECIALTY AND PERSONALIZED LICENSE PLATES ISSUED BEFORE NOVEMBER 19 ~~[SEPTEMBER 1]~~, 2009. (a) A specialty or personalized license plate issued before November 19 ~~[September 1]~~, 2009, may be issued for a subsequent registration period only if the applicant submits an application and pays the required fee for the

applicable registration period. A person who is issued a personalized license plate has first priority on that license plate for each subsequent registration period for which the person submits a new application for that plate.

(b) Unless the board by rule adopts a higher fee or the license plate is not renewed annually, the ~~[The]~~ fee for issuance of a ~~[personalized]~~ license plate issued before November 19 ~~[September 1]~~, 2009, is:

(1) the fee provided for in Section 504.601 for a specialty license plate; and

(2) \$40 for a personalized license plate~~[, unless the director adopts by rule a higher fee].~~

(c) A person who is issued a specialty or personalized license plate by the department before November 19 ~~[September 1]~~, 2009, may:

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

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

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

(e) Of each fee collected by the department under Subsection (b)(2) ~~[this section]~~:

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

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

(8) Insert the following appropriately numbered subdivisions in SECTION 231 of the bill and renumber subsequent subdivisions of that SECTION accordingly:

(___) Section 504.851(k);

(___) Section 504.854(c);

(9) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 504, Transportation Code, is amended by adding Section 504.101 to read as follows:

Sec. 504.101. PERSONALIZED LICENSE PLATES. The department shall issue personalized license plates, including those sold by the private vendor under a contract with the department as provided by Section 504.851.

SECTION _____. Section 504.6011, Transportation Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

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

(d) A sponsor of a specialty license plate authorized to be issued under this subchapter before November 19, 2009, may reestablish its specialty license plate under Sections 504.601 and 504.702 and be credited its previous deposit with the department if a contract entered into by the sponsor under Subsection (a) terminates.

SECTION _____. The heading to Section 504.802, Transportation Code, is amended to read as follows:

Sec. 504.802. MARKETING AND SALE BY PRIVATE VENDOR OF SPECIALTY LICENSE PLATES [~~CREATED BEFORE SEPTEMBER 1, 2009~~].

SECTION _____. Section 504.802, Transportation Code, is amended by amending Subsections (a) and (c) and adding Subsection (d) to read as follows:

(a) A sponsor of a specialty license plate created under this subchapter [~~before September 1, 2009,~~] may contract with the private vendor authorized under Subchapter J for the marketing and sale of the specialty license plate.

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

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

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

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

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

(C) for a license plate issued under Section 504.614, the public entity that provides or provided funds for the professional sports team's facility; and

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

(d) A sponsor of a specialty license plate may reestablish its specialty license plate under Sections 504.601 and 504.702 and be credited its previous deposit with the department if a contract entered into by the sponsor under Subsection (a) terminates.

SECTION _____. Sections 504.854(a) and (b), Transportation Code, are amended to read as follows:

(a) The board by rule ~~[private vendor]~~ may provide for the private vendor to:

(1) sell at auction a license to display a unique alphanumeric pattern on a license plate for a period set by board rule;

(2) reserve an unissued alphanumeric pattern from the department for purposes of auctioning a license to display the pattern for a period set by board rule; and

(3) purchase from a customer an unexpired license to display an alphanumeric pattern for purposes of auction by the vendor.

(b) A ~~[Only a]~~ license to display an alphanumeric pattern purchased under this section ~~[or a license to display an alphanumeric pattern sold by the private vendor under Section 504.853]~~ may be transferred to another person without payment of the fee provided by Section 504.855. ~~[The transferee is entitled to the same rights and privileges as the transferor.]~~

SECTION _____. Subchapter J, Chapter 504, Transportation Code, is amended by adding Section 504.855 to read as follows:

Sec. 504.855. TRANSFERABILITY OF CERTAIN PATTERNS. The board by rule may:

(1) authorize a person who purchases a license to display an alphanumeric pattern for a period of five years or more to transfer the license; and

(2) establish a transfer fee to be distributed in accordance with the contract with the private vendor.