

By: Pickett

H.B. No. 2357

A BILL TO BE ENTITLED

AN ACT

relating to motor vehicles; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 501.002, Transportation Code, is amended to read as follows:

Sec. 501.002. DEFINITIONS. In this chapter:

(1) "Certificate of title" means a printed record of title ~~[an instrument]~~ issued under Section 501.021.

(2) "Credit card" means a card, plate, or similar device used to make a purchase or to borrow money.

(3) "Dealer" has the meaning assigned by Section 503.001 ~~[means a person who purchases motor vehicles for sale at retail]~~.

(4) "Debit card" means a card that enables the holder to withdraw money or to have the cost of a purchase charged directly to the holder's bank account.

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

(6) ~~[(4)]~~ "Distributor" has the meaning assigned by Section 2301.002, Occupations Code ~~[means a person engaged in the business of selling to a dealer motor vehicles purchased from a manufacturer]~~.

(7) "Electric bicycle" has the meaning assigned by Section 541.201.

1           (8) [~~(5)~~] "First sale" means:

2                   (A) the bargain, sale, transfer, or delivery of a  
3 motor vehicle that has not been previously registered or titled  
4 [~~licensed~~], with intent to pass an interest in the motor vehicle,  
5 other than a lien, regardless of where the bargain, sale, transfer,  
6 or delivery occurred; and

7                   (B) the registration or titling [~~licensing~~] of  
8 that vehicle.

9           (9) [~~(6)~~] "House trailer" means a trailer designed for  
10 human habitation. The term does not include manufactured housing.

11           (10) [~~(7)~~] "Importer" means a person, other than a  
12 manufacturer, that brings a used motor vehicle into this state for  
13 sale in this state.

14           (11) [~~(8)~~] "Importer's certificate" means a  
15 certificate for a used motor vehicle brought into this state for  
16 sale in this state.

17           (12) [~~(9)~~] "Lien" means:

18                   (A) a lien provided for by the constitution or  
19 statute in a motor vehicle;

20                   (B) a security interest, as defined by Section  
21 1.201, Business & Commerce Code, in a motor vehicle, other than an  
22 absolute title, created by any written security agreement, as  
23 defined by Section 9.102, Business & Commerce Code, including a  
24 lease, conditional sales contract, deed of trust, chattel mortgage,  
25 trust receipt, or reservation of title; or

26                   (C) a child support lien under Chapter 157,  
27 Family Code.

1           (13) [~~(10)~~] "Manufactured housing" has the meaning  
2 assigned by Chapter 1201, Occupations Code.

3           (14) [~~(11)~~] "Manufacturer" has the meaning assigned  
4 by Section 503.001 [~~means a person regularly engaged in the~~  
5 ~~business of manufacturing or assembling new motor vehicles~~].

6           (15) [~~(12)~~] "Manufacturer's permanent vehicle  
7 identification number" means the number affixed by the manufacturer  
8 to a motor vehicle in a manner and place easily accessible for  
9 physical examination and die-stamped or otherwise permanently  
10 affixed on one or more removable parts of the vehicle.

11           (16) [~~(13)~~] "Motorcycle" has the meaning assigned by  
12 Section 521.001 or 541.201, as applicable [~~means a motor vehicle,~~  
13 ~~other than a tractor, designed to propel itself with not more than~~  
14 ~~three wheels in contact with the ground~~].

15           (17) [~~(14)~~] "Motor vehicle" means:

16                   (A) any motor driven or propelled vehicle  
17 required to be registered under the laws of this state;

18                   (B) a trailer or semitrailer, other than  
19 manufactured housing, that has a gross vehicle weight that exceeds  
20 4,000 pounds;

21                   (C) a travel [~~house~~] trailer;

22                   (D) an all-terrain vehicle or a recreational  
23 off-highway vehicle, as those terms are defined by Section 502.001,  
24 designed by the manufacturer for off-highway use that is not  
25 required to be registered under the laws of this state; or

26                   (E) a motorcycle, motor-driven cycle, or moped  
27 that is not required to be registered under the laws of this state[~~7~~

1 ~~other than a motorcycle, motor-driven cycle, or moped designed for~~  
2 ~~and used exclusively on a golf course].~~

3 (18) [(15)] "New motor vehicle" has the meaning  
4 assigned by Section 2301.002, Occupations Code [~~means a motor~~  
5 ~~vehicle that has not been the subject of a first sale].~~

6 (19) [(16)] "Owner" means [~~includes~~] a person, other  
7 than a manufacturer, importer, distributor, or dealer, claiming  
8 title to or having a right to operate under a lien a motor vehicle  
9 that has been subject to a first sale.

10 (20) "Purchaser" means a person or entity to which a  
11 motor vehicle is donated, given, sold, or otherwise transferred.

12 (21) "Record of title" means an electronic record of  
13 motor vehicle ownership in the department's motor vehicle database  
14 that is created under Subchapter I.

15 (22) "Seller" means a person or entity that donates,  
16 gives, sells, or otherwise transfers ownership of a motor vehicle.

17 (23) [(17)] "Semitrailer" means a vehicle that is  
18 designed or used with a motor vehicle so that part of the weight of  
19 the vehicle and its load rests on or is carried by another vehicle.

20 (24) [(18)] "Serial number" means a vehicle  
21 identification number that is affixed to a part of a motor vehicle  
22 and that is:

23 (A) the manufacturer's permanent vehicle  
24 identification number;

25 (B) a derivative number of the manufacturer's  
26 permanent vehicle identification number;

27 (C) the motor number; or

1 (D) the vehicle identification number assigned  
2 by the department.

3 (25) [~~(19)~~] "Steal" has the meaning assigned by  
4 Section 31.01, Penal Code.

5 (26) [~~(20)~~] "Subsequent sale" means:

6 (A) the bargain, sale, transfer, or delivery of a  
7 used motor vehicle [~~that has been previously registered or licensed~~  
8 ~~in this state or elsewhere~~], with intent to pass an interest in the  
9 vehicle, other than a lien[~~, regardless of where the bargain, sale,~~  
10 ~~transfer, or delivery occurs~~]; and

11 (B) the registration of the vehicle if  
12 registration is required under the laws of this state.

13 (27) "Title" means a certificate or record of title  
14 that is issued under Section 501.021.

15 (28) [~~(21)~~] "Title receipt" means a document [~~an~~  
16 ~~instrument~~] issued under Section 501.024.

17 (29) [~~(22)~~] "Trailer" means a vehicle that:

18 (A) is designed or used to carry a load wholly on  
19 the trailer's own structure; and

20 (B) is drawn or designed to be drawn by a motor  
21 vehicle.

22 (30) "Travel trailer" means a house trailer-type  
23 vehicle or a camper trailer:

24 (A) that is a recreational vehicle defined under  
25 24 C.F.R. Section 3282.8(g); or

26 (B) that:

27 (i) is less than eight feet in width or 40

1 feet in length, exclusive of any hitch installed on the vehicle;

2 (ii) is designed primarily for use as  
3 temporary living quarters in connection with recreational,  
4 camping, travel, or seasonal use;

5 (iii) is not used as a permanent dwelling;  
6 and

7 (iv) is not a utility trailer, enclosed  
8 trailer, or other trailer that does not have human habitation as its  
9 primary function.

10 (31) [~~23~~] "Used motor vehicle" means a motor vehicle  
11 that has been the subject of a first sale.

12 (32) "Vehicle identification number" means:

13 (A) the manufacturer's permanent vehicle  
14 identification number affixed by the manufacturer to the motor  
15 vehicle that is easily accessible for physical examination and  
16 permanently affixed on one or more removable parts of the vehicle;  
17 or

18 (B) a serial number affixed to a part of a motor  
19 vehicle that is:

20 (i) a derivative number of the  
21 manufacturer's permanent vehicle identification number;

22 (ii) the motor number; or

23 (iii) a vehicle identification number  
24 assigned by the department.

25 SECTION 2. The heading to Section 501.003, Transportation  
26 Code, is amended to read as follows:

27 Sec. 501.003. PURPOSE [~~CONSTRUCTION~~].

1 SECTION 3. Section 501.004(a), Transportation Code, is  
2 amended to read as follows:

3 (a) Except as provided by this section, this ~~[This]~~ chapter  
4 applies to all motor vehicles, including a motor vehicle owned by  
5 the state or a political subdivision of the state.

6 SECTION 4. Section 501.131, Transportation Code, is  
7 transferred to Subchapter A, Chapter 501, Transportation Code,  
8 redesignated as Section 501.0041, Transportation Code, and amended  
9 to read as follows:

10 Sec. 501.0041 ~~[501.131]~~. RULES; FORMS. (a) The  
11 department may adopt rules to administer this chapter.

12 (b) The department shall post forms on the Internet and~~[+~~  
13 ~~[(1) in addition to the forms required by this~~  
14 ~~chapter, prescribe forms for a title receipt, manufacturer's~~  
15 ~~certificate, and importer's certificate, and other forms the~~  
16 ~~department determines necessary, and~~

17 ~~[(2)]~~ provide each county assessor-collector with a  
18 sufficient supply of any necessary ~~[the]~~ forms on request.

19 SECTION 5. Section 501.159, Transportation Code, is  
20 transferred to Subchapter A, Chapter 501, Transportation Code,  
21 redesignated as Section 501.006, Transportation Code, and amended  
22 to read as follows:

23 Sec. 501.006 ~~[501.159]~~. ALIAS ~~[CERTIFICATE OF]~~ TITLE. On  
24 receipt of a verified ~~[written]~~ request approved by the executive  
25 administrator of a law enforcement agency, the department may issue  
26 a ~~[certificate of]~~ title in the form requested by the executive  
27 administrator for a vehicle in an alias for the law enforcement

1 agency's use in a covert criminal investigation.

2 SECTION 6. Section 501.021, Transportation Code, is amended  
3 to read as follows:

4 Sec. 501.021. [~~CERTIFICATE OF~~] TITLE FOR MOTOR VEHICLE.

5 (a) A motor vehicle [~~certificate of~~] title [~~is an instrument~~]  
6 issued by the department must include [~~that includes~~]:

7 (1) the name and address of each [~~the~~] purchaser and  
8 seller at the first sale or [~~the transferee and transferor at~~] a  
9 subsequent sale;

10 (2) the make of the motor vehicle;

11 (3) the body type of the vehicle;

12 (4) the manufacturer's permanent vehicle  
13 identification number of the vehicle or the vehicle's motor number  
14 if the vehicle was manufactured before the date that stamping a  
15 permanent identification number on a motor vehicle was universally  
16 adopted;

17 (5) the serial number for the vehicle;

18 (6) the [~~number on the vehicle's current Texas license~~  
19 ~~plates, if any,~~

20 [~~(7) a statement:~~

21 [~~(A) that no lien on the vehicle is recorded, or~~

22 [~~(B) of the~~] name and address of each lienholder  
23 and the date of each lien on the vehicle, listed in the  
24 chronological order in which the lien was recorded;

25 (7) [~~(8) a space for the signature of the owner of the~~  
26 ~~vehicle,~~

27 [~~(9)] a statement indicating rights of survivorship~~



1 under Section 501.031;

2           (8) [~~(10)~~] if the vehicle has an odometer, the  
3 odometer reading at the time of [~~indicated by the~~] application for  
4 the [~~certificate of~~] title; and

5           (9) [~~(11)~~] any other information required by the  
6 department.

7           (b) A printed certificate of title must bear the following  
8 statement on its face:

9           "UNLESS OTHERWISE AUTHORIZED BY LAW, IT IS A VIOLATION OF  
10 STATE LAW TO SIGN THE NAME OF ANOTHER PERSON ON A CERTIFICATE OF  
11 TITLE OR OTHERWISE GIVE FALSE INFORMATION ON A CERTIFICATE OF  
12 TITLE."

13           (c) A [~~certificate of~~] title for a motor vehicle that has  
14 been the subject of an ordered repurchase or replacement under  
15 Chapter 2301, Occupations Code, must contain on its face a notice  
16 sufficient to inform a purchaser that the motor vehicle has been the  
17 subject of an ordered repurchase or replacement.

18           SECTION 7. The heading to Section 501.022, Transportation  
19 Code, is amended to read as follows:

20           Sec. 501.022. MOTOR VEHICLE [~~CERTIFICATE OF~~] TITLE  
21 REQUIRED.

22           SECTION 8. Sections 501.022(a), (b), and (c),  
23 Transportation Code, are amended to read as follows:

24           (a) The owner of a motor vehicle registered in this state:

25                 (1) except as provided by Section 501.029, shall apply  
26 for title to the vehicle; and

27                 (2) may not operate or permit the operation of the

1 vehicle on a public highway until the owner obtains:

2 (A) [~~a certificate of~~] title and [~~for the vehicle~~  
3 ~~or until the owner obtains~~] registration for the vehicle; or

4 (B) [~~if~~] a receipt evidencing title for  
5 registration purposes only [~~to the vehicle is issued~~] under Section  
6 501.029 [~~501.029(b)~~].

7 (b) A person may not operate a motor vehicle registered in  
8 this state on a public highway if the person knows or has reason to  
9 believe that the owner has not obtained a [~~certificate of~~] title for  
10 the vehicle.

11 (c) The owner of a motor vehicle that is required to be  
12 titled and registered in this state must obtain [~~apply for~~] a  
13 [~~certificate of~~] title to [~~of~~] the vehicle before selling or  
14 disposing of the vehicle.

15 SECTION 9. Subchapter B, Chapter 501, Transportation Code,  
16 is amended by adding Section 501.0225 to read as follows:

17 Sec. 501.0225. CERTIFICATE OF TITLE REQUIRED FOR OFF-ROAD  
18 VEHICLE. A person who purchases, imports, or otherwise acquires an  
19 off-road vehicle, as defined by Section 152.001, Tax Code, that is  
20 not required to be registered under Chapter 502 may not operate or  
21 permit the operation of the vehicle in this state, or sell or  
22 dispose of the vehicle in this state, until the person obtains a  
23 certificate of title for the vehicle. This section does not apply  
24 to:

25 (1) an off-road vehicle that is exempt from motor  
26 vehicle sales and use taxation under Section 152.091, Tax Code; or

27 (2) an off-road vehicle acquired and sold or disposed

1 of by a lienholder exercising a statutory or contractual lien right  
2 with regard to the vehicle, except that this section does apply to  
3 the purchaser of that vehicle.

4 SECTION 10. The heading to Section 501.023, Transportation  
5 Code, is amended to read as follows:

6 Sec. 501.023. APPLICATION FOR [~~CERTIFICATE OF~~] TITLE.

7 SECTION 11. Section 501.023, Transportation Code, is  
8 amended by amending Subsections (a), (b), and (c) and adding  
9 Subsection (e) to read as follows:

10 (a) The owner of a motor vehicle must present identification  
11 and apply for a [~~certificate of~~] title as prescribed by the  
12 department, unless otherwise exempted by law. To obtain a title,  
13 the owner must apply:

14 (1) to the county assessor-collector in the county in  
15 which:

16 (A) the owner is domiciled; or

17 (B) the motor vehicle is purchased or encumbered;

18 or [~~and~~]

19 (2) if the county in which the owner resides has been  
20 declared by the governor as a disaster area, to the county  
21 assessor-collector in one of the closest unaffected counties to a  
22 county that asks for assistance and:

23 (A) continues to be declared by the governor as a  
24 disaster area because the county has been rendered inoperable by  
25 the disaster; and

26 (B) is inoperable for a protracted period of time

27 [~~on a form prescribed by the department~~].

1           (b) The assessor-collector shall send the application to  
2 the department or enter it into the department's titling system  
3 within 72 [~~not later than 24~~] hours after receipt of [~~receiving~~] the  
4 application.

5           (c) The owner or a lessee of a commercial motor vehicle  
6 operating under the International Registration Plan or other  
7 agreement described by Section 502.091 [~~502.054~~] that is applying  
8 for a [~~certificate of~~] title for purposes of registration only may  
9 apply [~~must be made~~] directly to the department. Notwithstanding  
10 Section 501.138(a), an applicant for registration under this  
11 subsection shall pay [~~the department~~] the fee imposed by that  
12 section. The [~~department shall send the~~] fee shall be distributed  
13 to the appropriate county assessor-collector [~~for distribution~~] in  
14 the manner provided by Section 501.138.

15           (e) Applications submitted to the department electronically  
16 must request the purchaser's choice of county as stated in  
17 Subsection (a) as the recipient of all taxes, fees, and other  
18 revenue collected as a result of the transaction.

19           SECTION 12. Sections 501.0234(a), (b), (d), and (e),  
20 Transportation Code, are amended to read as follows:

21           (a) A person who sells at the first or a subsequent sale a  
22 motor vehicle and who holds a general distinguishing number issued  
23 under Chapter 503 of this code or Chapter 2301, Occupations Code,  
24 shall:

25           (1) except as provided by this section, in the time and  
26 manner provided by law, apply, in the name of the purchaser of the  
27 vehicle, for the registration of the vehicle, if the vehicle is to

1 be registered, and a [~~certificate of~~] title for the vehicle and file  
2 with the appropriate designated agent each document necessary to  
3 transfer title to or register the vehicle; and at the same time

4 (2) remit any required motor vehicle sales tax.

5 (b) This section does not apply to a motor vehicle:

6 (1) that has been declared a total loss by an insurance  
7 company in the settlement or adjustment of a claim;

8 (2) for which the [~~certificate of~~] title has been  
9 surrendered in exchange for:

10 (A) a salvage vehicle title or salvage record of  
11 title issued under this chapter;

12 (B) a nonrepairable vehicle title or  
13 nonrepairable vehicle record of title issued under this chapter or  
14 Subchapter D, Chapter 683; or

15 (C) [~~a certificate of authority issued under~~  
16 ~~Subchapter D, Chapter 683; or~~

17 [~~(D)~~] an ownership document issued by another  
18 state that is comparable to a document described by Paragraph (A) or  
19 (B) [~~Paragraphs (A)-(C)~~];

20 (3) with a gross weight in excess of 11,000 pounds; or

21 (4) purchased by a commercial fleet buyer who is a  
22 full-service deputy under Section 520.008 [~~502.114~~] and who  
23 utilizes the dealer title application process developed to provide  
24 a method to submit title transactions to the county in which the  
25 commercial fleet buyer is a full-service deputy.

26 (d) A seller who applies for the registration or a  
27 [~~certificate of~~] title for a motor vehicle under Subsection (a)(1)

1 shall apply in the county as directed by the purchaser from the  
2 counties set forth in Section 501.023 [~~of this code~~].

3 (e) The department shall develop [~~promulgate~~] a form or  
4 electronic process in [~~on~~] which the purchaser of a motor vehicle  
5 shall designate the purchaser's choice as set out in Section  
6 501.023 as the recipient of all taxes, fees, and other revenue  
7 collected as a result of the transaction, which the tax  
8 assessor-collector is authorized by law to retain. A seller shall  
9 make that form or electronic process available to the purchaser of a  
10 vehicle at the time of purchase.

11 SECTION 13. Subchapter B, Chapter 501, Transportation Code,  
12 is amended by adding Section 501.0235 to read as follows:

13 Sec. 501.0235. PERSONAL IDENTIFICATION INFORMATION FOR  
14 OBTAINING TITLE. (a) The department may require an applicant for a  
15 title to provide current personal identification as determined by  
16 department rule.

17 (b) Any identification number required by the department  
18 under this section may be entered in the department's electronic  
19 titling system but may not be printed on the title.

20 SECTION 14. Section 501.024, Transportation Code, is  
21 amended to read as follows:

22 Sec. 501.024. TITLE RECEIPT. (a) A county  
23 assessor-collector who receives an application for a [~~certificate~~  
24 ~~of~~] title shall issue a title receipt to the applicant containing  
25 the information concerning the motor vehicle required for issuance  
26 of a title under Section 501.021 or Subchapter I [7] after:

27 (1) the requirements of this chapter are met,

1 including the payment of the fees required under Section 501.138;  
2 and

3 (2) the [~~, issue a title receipt on which is noted~~]  
4 information is entered into the department's titling system  
5 [~~concerning the motor vehicle required for the certificate of title~~  
6 ~~under Section 501.021, including a statement of the existence of~~  
7 ~~each lien as disclosed on the application or a statement that no~~  
8 ~~lien is disclosed~~].

9 (b) If a lien is not disclosed on the application for a  
10 [~~certificate of~~] title, the assessor-collector shall issue a [~~mark~~  
11 ~~the~~] title receipt [~~"original" and deliver it~~] to the applicant.

12 (c) If a lien is disclosed on the application for a  
13 [~~certificate of~~] title, the assessor-collector shall issue a  
14 duplicate title receipt to the lienholder [~~receipts. The~~  
15 ~~assessor-collector shall:~~

16 [~~(1) mark one receipt "original" and mail or deliver~~  
17 ~~it to the first lienholder disclosed on the application; and~~

18 [~~(2) mark the second receipt "duplicate original" and~~  
19 ~~mail or deliver it to the address of the applicant provided on the~~  
20 ~~application~~].

21 (d) A title receipt with registration or permit authorizes  
22 the operation of the motor vehicle on a public highway in this state  
23 for 10 days or until the [~~certificate of~~] title is issued, whichever  
24 period is shorter.

25 SECTION 15. Section 501.025, Transportation Code, is  
26 amended to read as follows:

27 Sec. 501.025. [~~TITLE RECEIPT REQUIRED ON FIRST SALE,~~]

1 MANUFACTURER'S CERTIFICATE REQUIRED ON FIRST SALE. A county  
2 assessor-collector may not issue a title receipt on the first sale  
3 of a motor vehicle unless the applicant for the [~~certificate of~~]  
4 title provides [~~to the assessor-collector~~] the application for a  
5 [~~certificate of~~] title and a manufacturer's certificate in [~~, on~~] a  
6 manner [~~form~~] prescribed by the department [~~, that:~~

7 [~~(1) is assigned to the applicant by the manufacturer,~~  
8 ~~distributor, or dealer shown on the manufacturer's certificate as~~  
9 ~~the last transferee; and~~

10 [~~(2) shows the transfer of the vehicle from its~~  
11 ~~manufacturer to the purchaser, whether a distributor, dealer, or~~  
12 ~~owner, and each subsequent transfer from distributor to dealer,~~  
13 ~~dealer to dealer, and dealer to applicant].~~

14 SECTION 16. Section 501.027, Transportation Code, is  
15 amended to read as follows:

16 Sec. 501.027. ISSUANCE OF [~~CERTIFICATE OF~~] TITLE. (a) On  
17 the day that a county assessor-collector issues a title receipt, a  
18 copy of the title receipt and all evidence of title [~~the~~  
19 ~~assessor-collector~~] shall be submitted [~~mail~~] to the department in  
20 the period specified in Section 501.023(b) [~~+~~

21 [~~(1) a copy of the receipt, and~~

22 [~~(2) the evidence of title delivered to the~~  
23 ~~assessor-collector by the applicant].~~

24 (b) Not later than the fifth day after the date the  
25 department receives an application for a [~~certificate of~~] title and  
26 the department determines the requirements of this chapter are met:

27 (1) the [~~, the department shall issue the certificate~~



1 ~~of~~] title shall be issued to the first lienholder or to the  
2 applicant if [~~— If~~] a lien is not disclosed on the application; or  
3 (2) [~~7~~] the department shall notify [~~send the~~  
4 ~~certificate by first class mail to~~] the applicant that the  
5 department's titling system has established a record of title of  
6 the motor vehicle in the applicant's name if a lien is not disclosed  
7 [~~at the address provided on the application~~]. If a lien is  
8 disclosed on the application, the department shall notify [~~send~~]  
9 the [~~certificate by first class mail to the first~~] lienholder that  
10 the lien has been recorded [~~as disclosed on the application~~].

11 SECTION 17. Section 501.0275, Transportation Code, is  
12 amended to read as follows:

13 Sec. 501.0275. ISSUANCE OF TITLE FOR UNREGISTERED VEHICLE.

14 (a) The department shall issue a [~~certificate of~~] title for a  
15 motor vehicle that complies with the other requirements [~~for~~  
16 ~~issuance of a certificate of title~~] under this chapter unless  
17 [~~except that~~]:

18 (1) the vehicle is not registered for a reason other  
19 than a reason provided by Section 501.051(a)(6) [~~501.051(6)~~]; and

20 (2) the applicant does not provide evidence of  
21 financial responsibility that complies with Section 502.046  
22 [~~502.153~~].

23 (b) On application for a [~~certificate of~~] title under this  
24 section, the applicant must surrender any license plates issued for  
25 the motor vehicle if the plates are not being transferred to another  
26 vehicle and any registration insignia for validation of those  
27 plates to the department.

1 SECTION 18. Section 501.0276, Transportation Code, is  
2 amended to read as follows:

3 Sec. 501.0276. DENIAL OF TITLE RECEIPT, ~~[OR CERTIFICATE OF]~~  
4 TITLE, OR RECORD OF TITLE FOR FAILURE TO PROVIDE PROOF OF EMISSIONS  
5 TESTING. A county assessor-collector may not issue a title receipt  
6 and the department may not issue a certificate of title for a  
7 vehicle subject to Section 548.3011 unless proof that the vehicle  
8 has passed a vehicle emissions test as required by that section, in  
9 a manner ~~[form]~~ authorized by that section, is presented to the  
10 county assessor-collector with the application for a ~~[certificate~~  
11 ~~of]~~ title.

12 SECTION 19. Section 501.029, Transportation Code, is  
13 amended to read as follows:

14 Sec. 501.029. ACCEPTABLE PROOF OF OWNERSHIP ~~[USE OF~~  
15 ~~REGISTRATION RECEIPT OR TITLE RECEIPT TO EVIDENCE TITLE]~~. ~~[(a) A~~  
16 ~~person may use a registration receipt issued under Chapter 502 or a~~  
17 ~~title receipt to evidence title to a motor vehicle and not to~~  
18 ~~transfer an interest in or establish a lien on the vehicle.~~

19 ~~[(b)]~~ The board ~~[department]~~ by rule may provide a list of  
20 the documents required for the issuance of a receipt that evidences  
21 title to a motor vehicle for registration purposes only. The fee  
22 for application for the receipt is the fee applicable to  
23 application for a ~~[certificate of]~~ title. The title receipt may not  
24 be used to transfer an interest in or establish a lien on the  
25 vehicle.

26 SECTION 20. Sections 501.030(b), (d), (e), (f), and (g),  
27 Transportation Code, are amended to read as follows:

1 (b) Before a motor vehicle that was not manufactured for  
2 sale or distribution in the United States may be titled in this  
3 state, the applicant must:

4 (1) provide to the assessor-collector:

5 (A) a bond release letter, with all attachments,  
6 issued by the United States Department of Transportation  
7 acknowledging:

8 (i) receipt of a statement of compliance  
9 submitted by the importer of the vehicle; and

10 (ii) that the statement meets the safety  
11 requirements of 19 C.F.R. Section 12.80(e);

12 (B) a bond release letter, with all attachments,  
13 issued by the United States Environmental Protection Agency stating  
14 that the vehicle has been tested and shown to conform to federal  
15 emission requirements; and

16 (C) a receipt or certificate issued by the United  
17 States Department of the Treasury showing that all gas guzzler  
18 taxes due on the vehicle under 26 U.S.C. Section 4064(a) have been  
19 paid; or

20 (2) provide to the assessor-collector proof,  
21 satisfactory to the department, [~~assessor-collector~~] that the  
22 vehicle was not brought into the United States from outside [~~of~~] the  
23 country.

24 (d) If a motor vehicle has not been titled or registered in  
25 the United States, the application for [~~certificate of~~] title must  
26 be accompanied by:

27 (1) a manufacturer's certificate of origin written in

1 English issued by the vehicle manufacturer;

2           (2) the original documents that constitute valid proof  
3 of ownership in the country where the vehicle was originally  
4 purchased, with an English translation of the documents verified as  
5 to the accuracy of the translation by an affidavit of the  
6 translator; or

7           (3) if the vehicle was imported from a country that  
8 cancels the vehicle registration and title for export, the  
9 documents assigned to the vehicle after the registration and title  
10 were canceled, with an English translation of the documents  
11 verified as to the accuracy of the translation by an affidavit of  
12 the translator.

13           (e) Before a motor vehicle that is required to be registered  
14 in this state and that is brought into this state by a person other  
15 than a manufacturer or importer may be bargained, sold,  
16 transferred, or delivered with an intent to pass an interest in the  
17 vehicle or encumbered by a lien, the owner must apply for a  
18 [~~certificate of~~] title in [~~on~~] a manner [~~form~~] prescribed by the  
19 department to the county assessor-collector for the county in which  
20 the transaction is to take place. The assessor-collector may not  
21 issue a title receipt unless the applicant delivers to the  
22 assessor-collector satisfactory evidence [~~of title~~] showing that  
23 the applicant is the owner of the vehicle and that the vehicle is  
24 free of any undisclosed liens.

25           (f) A county assessor-collector may not be held liable for  
26 civil damages arising out of the assessor-collector's failure to  
27 reflect on the title receipt a lien or encumbrance on a motor

1 vehicle to which Subsection (e) applies unless the  
2 ~~[assessor-collector's]~~ failure constitutes wilful or wanton  
3 negligence.

4 (g) Until an applicant has complied with this section:

5 (1) a county assessor-collector may not accept an  
6 application for ~~[certificate of]~~ title; and

7 (2) the applicant is not entitled to an appeal as  
8 provided by Sections 501.052 and 501.053.

9 SECTION 21. Section 501.031, Transportation Code, is  
10 amended to read as follows:

11 Sec. 501.031. RIGHTS OF SURVIVORSHIP AGREEMENT. (a) The  
12 department shall include on each ~~[certificate of]~~ title an optional  
13 [a] rights of survivorship agreement that [form. The form must]:

14 (1) provides [provide] that if the agreement is  
15 between [signed by] two or more eligible persons, the motor vehicle  
16 is held jointly by those persons with the interest of a person who  
17 dies to transfer [survive] to the surviving person or persons; and

18 (2) provides [provide blanks] for the acknowledgment  
19 by signature, either electronically or by hand, [signatures] of the  
20 persons.

21 (b) If the vehicle is registered in the name of one or more  
22 of the persons who acknowledged [signed] the agreement, the  
23 ~~[certificate of]~~ title may contain a:

24 (1) rights of survivorship agreement acknowledged  
25 [signed] by all the persons; or

26 (2) remark if a rights of survivorship agreement is  
27 ~~[surrendered with the application for certificate of title or~~

1 ~~otherwise]~~ on file with the department.

2 (c) Ownership [~~Except as provided in Subsection (g),~~  
3 ~~ownership]~~ of the vehicle may be transferred only:

4 (1) by all the persons acting jointly, if all the  
5 persons are alive; and

6 (2) on the death of one of the persons by the surviving  
7 person or persons by transferring ownership of the vehicle [~~the~~  
8 ~~certificate of title]~~, in the manner otherwise required by law [~~for~~  
9 ~~transfer of ownership of the vehicle]~~, with a copy of the death  
10 certificate of the deceased person [~~attached to the certificate of~~  
11 ~~title application]~~.

12 (d) A rights of survivorship agreement under this section  
13 may be revoked only if [~~by surrender of the certificate of title to~~  
14 ~~the department and joint application by]~~ the persons named in [~~who~~  
15 ~~signed]~~ the agreement file a joint application for a new title in  
16 the name of the person or persons designated in the application.

17 (e) A person is eligible to file [~~sign]~~ a rights of  
18 survivorship agreement under this section if the person:

19 (1) is married and the spouse of the [~~signing]~~ person  
20 is the only other party to the agreement;

21 (2) is unmarried and attests to that unmarried status  
22 by affidavit; or

23 (3) is married and provides the department with an  
24 affidavit from the [~~signing]~~ person's spouse that attests that the  
25 [~~signing]~~ person's interest in the vehicle is the [~~signing]~~  
26 person's separate property.

27 (f) The department may develop an optional electronic [~~if~~

1 ~~the title is being issued in connection with the sale of the~~  
2 ~~vehicle, the seller is not eligible to sign a]~~ rights of  
3 survivorship agreement for public use [~~under this section unless~~  
4 ~~the seller is the child, grandchild, parent, grandparent, brother,~~  
5 ~~or sister of each other person signing the agreement. A family~~  
6 ~~relationship required by this subsection may be a relationship~~  
7 ~~established by adoption.~~

8 [~~(g) If an agreement, other than the agreement provided for~~  
9 ~~in Subsection (a), providing for right of survivorship is signed by~~  
10 ~~two or more persons, the department shall issue a new certificate of~~  
11 ~~title to the surviving person or persons upon application~~  
12 ~~accompanied by a copy of the death certificate of the deceased~~  
13 ~~person. The department may develop for public use under this~~  
14 ~~subsection an optional rights of survivorship agreement form].~~

15 SECTION 22. Section 501.032, Transportation Code, is  
16 amended to read as follows:

17 Sec. 501.032. ASSIGNMENT OF VEHICLE IDENTIFICATION  
18 [~~SERIAL~~] NUMBER BY DEPARTMENT. (a) On proper application, the  
19 department shall assign a vehicle identification [~~a serial~~] number  
20 to a travel [~~house~~] trailer, a trailer or semitrailer that has a  
21 gross vehicle weight that exceeds 4,000 pounds, or an item of  
22 equipment, including a tractor, farm implement, unit of special  
23 mobile equipment, or unit of off-road construction equipment on  
24 which:

25 (1) a vehicle identification [~~a serial~~] number was not  
26 die-stamped by the manufacturer; or

27 (2) a vehicle identification [~~the serial~~] number

1 die-stamped by the manufacturer has been lost, removed, or  
2 obliterated.

3 (b) The applicant shall die-stamp the assigned vehicle  
4 identification [~~serial~~] number at the place designated by the  
5 department on the travel [~~house~~] trailer, trailer, semitrailer, or  
6 equipment.

7 (c) The manufacturer's vehicle identification [~~serial~~]  
8 number or the vehicle identification [~~serial~~] number assigned by  
9 the department shall be affixed on the carriage or axle part of the  
10 travel [~~house~~] trailer, trailer, or semitrailer. The department  
11 shall use the number as the major identification of the vehicle in  
12 the issuance of a [~~certificate of~~] title.

13 SECTION 23. Sections 501.033(a), (b), and (d),  
14 Transportation Code, are amended to read as follows:

15 (a) A person determined by law enforcement [~~the department~~]  
16 or a court to be the owner of a motor vehicle, a part of a motor  
17 vehicle, or an item of equipment including a tractor, farm  
18 implement, unit of special mobile equipment, or unit of off-road  
19 construction equipment [~~that has had the serial number removed,~~  
20 ~~altered, or obliterated~~] may apply to the department for an  
21 assigned vehicle identification number that has been removed,  
22 altered, or obliterated.

23 (b) An application under this section must be in [~~on~~] a  
24 manner [~~form~~] prescribed [~~and furnished~~] by the department and  
25 accompanied by [~~the certificate of title for the vehicle or other~~]  
26 valid evidence of ownership as required by the department [~~if there~~  
27 ~~is no certificate of title~~].



1 (d) The assigned vehicle identification number shall be  
2 die-stamped or otherwise affixed [~~to the motor vehicle, part, or~~  
3 ~~item of equipment at the location and~~] in the manner designated by  
4 the department.

5 SECTION 24. Section 520.011, Transportation Code, is  
6 transferred to Subchapter B, Chapter 501, Transportation Code,  
7 redesignated as Section 501.0331, Transportation Code, and amended  
8 to read as follows:

9 Sec. 501.0331 [~~520.011~~]. MOTOR NUMBER REQUIRED FOR  
10 [~~VEHICLE~~] REGISTRATION [~~, PENALTY~~]. [~~(a)~~] A person may not apply  
11 to the county assessor-collector for the registration of a motor  
12 vehicle from which the original motor number has been removed,  
13 erased, or destroyed until the motor vehicle bears the motor number  
14 assigned by the department.

15 [~~(b) A person commits an offense if the person violates this~~  
16 ~~section. An offense under this subsection is a misdemeanor~~  
17 ~~punishable by a fine of not less than \$50 and not more than \$100.~~]

18 SECTION 25. Section 520.012, Transportation Code, is  
19 transferred to Subchapter B, Chapter 501, Transportation Code,  
20 redesignated as Section 501.0332, Transportation Code, and amended  
21 to read as follows:

22 Sec. 501.0332 [~~520.012~~]. APPLICATION FOR MOTOR NUMBER  
23 RECORD [~~, RECORD, PENALTY~~]. (a) To obtain a motor number assigned  
24 by the department, the owner of a motor vehicle that has had the  
25 original motor number removed, erased, or destroyed must file a  
26 sworn application with the department.

27 (b) The department shall maintain a record of [~~separate~~

1 ~~register for recording]~~ each motor number assigned by the  
2 department that includes [~~. For each motor number assigned by the~~  
3 ~~department, the record must indicate]~~:

- 4 (1) the motor number assigned by the department;
- 5 (2) the name and address of the owner of the motor  
6 vehicle; and
- 7 (3) the make, model, and year of manufacture of the  
8 motor vehicle.

9 [~~(c) A person who fails to comply with this section commits~~  
10 ~~an offense. An offense under this subsection is a misdemeanor~~  
11 ~~punishable by a fine of not less than \$10 and not more than \$100.]~~

12 SECTION 26. Section 501.034, Transportation Code, is  
13 amended to read as follows:

14 Sec. 501.034. ISSUANCE OF TITLE TO GOVERNMENT AGENCY. The  
15 department may issue a [~~certificate of~~] title to a government  
16 agency if a vehicle or part of a vehicle is:

- 17 (1) forfeited to the government agency;
- 18 (2) delivered by court order under the Code of  
19 Criminal Procedure to a government agency for official purposes; or
- 20 (3) sold as abandoned or unclaimed property under the  
21 Code of Criminal Procedure.

22 SECTION 27. Section 501.035, Transportation Code, is  
23 amended to read as follows:

24 Sec. 501.035. [~~CERTIFICATE OF~~] TITLE FOR FORMER MILITARY  
25 VEHICLE. (a) Notwithstanding any other law, the department shall  
26 issue a [~~certificate of~~] title for a former military vehicle [~~that~~  
27 ~~is not registered under the laws of this state]~~ if all [~~other~~]

1 requirements for issuance of a [~~certificate of~~] title are met.

2 (b) In this section, "former military vehicle" has the  
3 meaning assigned by Section 504.502(i) [~~502.275(e)~~].

4 SECTION 28. Section 501.036, Transportation Code, is  
5 amended to read as follows:

6 Sec. 501.036. [~~CERTIFICATE OF~~] TITLE FOR FARM SEMITRAILER.

7 (a) Notwithstanding any other provision of this chapter, the  
8 department may issue a [~~certificate of~~] title for a farm  
9 semitrailer with a gross weight of more than 4,000 pounds if:

10 (1) the farm semitrailer is eligible for registration  
11 under Section 502.146 [~~504.504~~]; and

12 (2) all other requirements for issuance of a  
13 [~~certificate of~~] title are met.

14 (b) To obtain a [~~certificate of~~] title under this section,  
15 the owner of the farm semitrailer must:

16 (1) apply for the [~~certificate of~~] title in the manner  
17 required by Section 501.023; and

18 (2) pay the fee required by Section 501.138.

19 (c) The department shall adopt rules [~~and forms~~] to  
20 implement and administer this section.

21 SECTION 29. Section 501.051, Transportation Code, is  
22 amended to read as follows:

23 Sec. 501.051. GROUNDS FOR REFUSAL TO ISSUE OR FOR  
24 REVOCATION OR SUSPENSION OF TITLE [~~CERTIFICATE~~]. (a) A title may  
25 be refused, canceled, suspended, or revoked by the [~~The~~] department  
26 [~~shall refuse to issue a certificate of title or shall suspend or~~  
27 ~~revoke a certificate of title~~] if:

1 (1) the application [~~for the certificate~~] contains a  
2 false or fraudulent statement;

3 (2) the applicant failed to furnish required  
4 information requested by the department;

5 (3) the applicant is not entitled to a [~~certificate~~  
6 ~~of~~] title;

7 (4) the department has reason to believe that the  
8 motor vehicle is stolen;

9 (5) the department has reason to believe that the  
10 issuance of a [~~certificate of~~] title would defraud the owner or a  
11 lienholder of the motor vehicle;

12 (6) the registration for the motor vehicle is  
13 suspended or revoked; or

14 (7) the required fee has not been paid.

15 (b) The department may rescind, cancel, or revoke an  
16 application for a title if a notarized affidavit is presented  
17 containing:

18 (1) a statement that the vehicle involved was a new  
19 motor vehicle in the process of a first sale;

20 (2) a statement that the dealer, the applicant, and  
21 any lienholder have canceled the sale;

22 (3) a statement that the vehicle:

23 (A) was never in the possession of the title  
24 applicant; or

25 (B) was in the possession of the title applicant;

26 and

27 (4) the signatures of the dealer, the applicant, and

1 any lienholder.

2 (c) A rescission, cancellation, or revocation containing  
3 the statement authorized under Subsection (b)(3)(B) does not negate  
4 the fact that the vehicle has been the subject of a previous retail  
5 sale.

6 SECTION 30. The heading to Section 501.052, Transportation  
7 Code, is amended to read as follows:

8 Sec. 501.052. HEARING ON REFUSAL TO ISSUE OR REVOCATION OR  
9 SUSPENSION OF [~~CERTIFICATE OF~~] TITLE; APPEAL.

10 SECTION 31. Sections 501.052(a), (d), and (e),  
11 Transportation Code, are amended to read as follows:

12 (a) An interested person aggrieved by a refusal,  
13 rescission, cancellation, suspension, or revocation under Section  
14 501.051 may apply for a hearing to the county assessor-collector  
15 for the county in which the person is a resident [~~domiciled~~]. On  
16 the day an assessor-collector receives the application, the  
17 assessor-collector shall notify the department of the date of the  
18 hearing.

19 (d) A determination of the assessor-collector is binding on  
20 the applicant and the department as to whether the department  
21 correctly refused to issue or correctly rescinded, canceled,  
22 revoked, or suspended the [~~certificate of~~] title.

23 (e) An applicant aggrieved by the determination under  
24 Subsection (d) may appeal to the county court of the county of the  
25 applicant's residence. An applicant must file an appeal not later  
26 than the fifth day after the date of the assessor-collector's  
27 determination. The county court judge shall try the appeal in the

1 manner of other civil cases. All rights and immunities granted in  
2 the trial of a civil case are available to the interested parties.  
3 If the department's action is not sustained, the department shall  
4 promptly issue a [~~certificate of~~] title for the vehicle.

5 SECTION 32. Section 501.053, Transportation Code, is  
6 amended by amending Subsections (a), (b), and (d) and adding  
7 Subsection (e) to read as follows:

8 (a) As an alternative to the procedure provided by Section  
9 501.052, the person may file a bond with the department. On the  
10 filing of the bond the person [~~department~~] may obtain a [~~issue the~~  
11 ~~certificate of~~] title.

12 (b) The bond must be:

- 13 (1) in the manner [~~form~~] prescribed by the department;  
14 (2) executed by the applicant;  
15 (3) issued by a person authorized to conduct a surety  
16 business in this state;  
17 (4) in an amount equal to one and one-half times the  
18 value of the vehicle as determined by the department, which may set  
19 an appraisal system by rule if it is unable to determine that value;  
20 and

21 (5) conditioned to indemnify all prior owners and  
22 lienholders and all subsequent purchasers of the vehicle or persons  
23 who acquire a security interest in the vehicle, and their  
24 successors in interest, against any expense, loss, or damage,  
25 including reasonable attorney's fees, occurring because of the  
26 issuance of the [~~certificate of~~] title for the vehicle or for a  
27 defect in or undisclosed security interest on the right, title, or

1 interest of the applicant to the vehicle.

2 (d) A bond under this section expires on the third  
3 anniversary of the date the bond became effective. [~~The department~~  
4 ~~shall return an expired bond to the person who filed the bond unless~~  
5 ~~the department has been notified of a pending action to recover on~~  
6 ~~the bond.~~]

7 (e) The board by rule may establish a fee to cover the cost  
8 of administering this section.

9 SECTION 33. Section 501.071, Transportation Code, is  
10 amended to read as follows:

11 Sec. 501.071. SALE OF VEHICLE; TRANSFER OF TITLE. (a)  
12 Except as provided in Section 503.039, a motor vehicle may not be  
13 the subject of a subsequent sale unless the owner designated on [~~in~~]  
14 the [~~certificate of~~] title submits a transfer of ownership of  
15 [~~transfers~~] the [~~certificate of~~] title [~~at the time of the sale~~].

16 (b) The transfer of the [~~certificate of~~] title must be in  
17 [~~on~~] a manner [~~form~~] prescribed by the department that [~~includes a~~  
18 ~~statement that~~]:

19 (1) certifies the purchaser [~~signer~~] is the owner of  
20 the vehicle; and

21 (2) certifies there are no liens on the vehicle or  
22 provides a release of each lien [~~except as shown~~] on the vehicle  
23 [~~certificate of title or as fully described in the statement~~].

24 SECTION 34. Section 520.022, Transportation Code, is  
25 transferred to Subchapter D, Chapter 501, Transportation Code,  
26 redesignated as Section 501.0721, Transportation Code, and amended  
27 to read as follows:

1           Sec. 501.0721 [~~520.022~~]. DELIVERY OF RECEIPT AND TITLE TO  
2 PURCHASER OF USED MOTOR VEHICLE [~~TRANSFeree; PENALTY~~]. [~~(a)~~] A  
3 person, whether acting for that person or another, who sells,  
4 trades, or otherwise transfers a used motor vehicle shall deliver  
5 to the purchaser [~~transferee~~] at the time of delivery of the vehicle  
6 [~~+~~

7           ~~[(1) the license receipt issued by the department for~~  
8 ~~registration of the vehicle, if the vehicle was required to be~~  
9 ~~registered at the time of the delivery; and~~

10           ~~[(2)]~~ a properly assigned [~~certificate of~~] title or  
11 other evidence of title as required under this chapter [~~Chapter~~  
12 ~~501~~].

13           ~~[(b) A person commits an offense if the person violates this~~  
14 ~~section. An offense under this subsection is a misdemeanor~~  
15 ~~punishable by a fine not to exceed \$200.]~~

16           SECTION 35. Sections 501.074(a), (b), and (c),  
17 Transportation Code, are amended to read as follows:

18           (a) The department shall issue a new [~~certificate of~~] title  
19 for a motor vehicle registered in this state for which the ownership  
20 is transferred by operation of law [~~, including by inheritance,~~  
21 ~~devise or bequest, bankruptcy, receivership, judicial sale,~~] or  
22 other involuntary divestiture of ownership after receiving:

23           (1) a certified copy of an [~~the~~] order appointing a  
24 temporary administrator or of the probate proceedings;

25           (2) letters testamentary or letters of  
26 administration;

27           (3) if administration of an estate is not necessary,



1 an affidavit showing that administration is not necessary,  
2 identifying all heirs, and including a statement by the heirs of the  
3 name in which the certificate shall be issued;

4 (4) a court order; or

5 (5) the bill of sale from an officer making a judicial  
6 sale.

7 (b) If a lien is foreclosed by nonjudicial means, the  
8 department may issue a new [~~certificate of~~] title in the name of the  
9 purchaser at the foreclosure sale on receiving the affidavit of the  
10 lienholder of the fact of the nonjudicial foreclosure.

11 (c) If a constitutional or statutory lien is foreclosed, the  
12 department may issue a new [~~certificate of~~] title in the name of the  
13 purchaser at the foreclosure sale on receiving:

14 (1) the affidavit of the lienholder of the fact of the  
15 creation of the lien and of the divestiture of title according to  
16 law; and

17 (2) proof of notice as required by Sections 70.004 and  
18 70.006, Property Code.

19 SECTION 36. Section 501.076(c), Transportation Code, is  
20 amended to read as follows:

21 (c) The person named as the agent in the limited power of  
22 attorney must meet the following requirements:

23 (1) the person may be a person who has been appointed  
24 by the commissioners [~~commissioner's~~] court as a deputy to perform  
25 vehicle registration functions under Section 520.0091 [~~502.112~~], a  
26 licensed [~~license~~] vehicle auction company holding a wholesale  
27 general distinguishing number under Section 503.022, a person who

1 has a permit similar to one of the foregoing that is issued by the  
2 state in which the owner is located, or another person authorized by  
3 law to execute title documents in the state in which the owner  
4 executes the documents; and

5 (2) the person may not be the transferee or an employee  
6 of the transferee. The person may not act as the agent of both the  
7 transferor and transferee in the transaction. For the purposes of  
8 this section, a person is not the agent of both the transferor and  
9 transferee in a transaction unless the person has the authority to  
10 sign the documents pertaining to the transfer of title on behalf of  
11 both the transferor and the transferee.

12 SECTION 37. Section 501.091, Transportation Code, is  
13 amended by amending Subdivisions (2), (3), (6), (7), (8), (9),  
14 (10), (12), (14), (15), (16), (17), and (18) and adding  
15 Subdivisions (10-a) and (16-a) to read as follows:

16 (2) "Casual sale" means the sale by a salvage vehicle  
17 dealer or an insurance company of five or fewer ~~[not more than five]~~  
18 nonrepairable motor vehicles or salvage motor vehicles to the same  
19 person during a calendar year, but ~~[The term]~~ does not include:

20 (A) a sale at auction to a salvage vehicle  
21 dealer; ~~[or]~~

22 (B) a sale to an insurance company, out-of-state  
23 buyer, or governmental entity; or

24 (C) the sale of an export-only motor vehicle to a  
25 person who is not a resident of the United States.

26 (3) "Damage" means sudden damage to a motor vehicle  
27 caused by the motor vehicle being wrecked, burned, flooded, or

1 stripped of major component parts. The term does not include:

2           (A) gradual damage from any cause;

3           (B)  sudden damage caused by hail;

4           (C)  any damage caused only to the exterior  
5 paint of the motor vehicle; or

6           (D) theft, unless the motor vehicle was damaged  
7 during the theft and before recovery.

8           (6) "Major component part" means one of the following  
9 parts of a motor vehicle:

10           (A) the engine;

11           (B) the transmission;

12           (C) the frame;

13           (D) a fender;

14           (E) the hood;

15           (F) a door allowing entrance to or egress from  
16 the passenger compartment of the motor vehicle;

17           (G) a bumper;

18           (H) a quarter panel;

19           (I) a deck lid, tailgate, or hatchback;

20           (J) the cargo box of a vehicle with a gross  
21 vehicle weight of 10,000 pounds or less [~~one-ton or smaller truck~~],  
22 including a pickup truck;

23           (K) the cab of a truck;

24           (L) the body of a passenger motor vehicle;

25           (M) the roof or floor pan of a passenger motor  
26 vehicle, if separate from the body of the motor vehicle.

27           (7) "Metal recycler" means a person who:

1 (A) is [~~predominately~~] engaged in the business of  
2 obtaining, converting, or selling ferrous or nonferrous metal [~~that~~  
3 ~~has served its original economic purpose to convert the metal, or~~  
4 ~~sell the metal~~] for conversion[~~r~~] into raw material products  
5 consisting of prepared grades and having an existing or potential  
6 economic value;

7 (B) has a facility to convert ferrous or  
8 nonferrous metal into raw material products [~~consisting of prepared~~  
9 ~~grades and having an existing or potential economic value,~~] by  
10 method other than the exclusive use of hand tools, including the  
11 processing, sorting, cutting, classifying, cleaning, baling,  
12 wrapping, shredding, shearing, or changing the physical form or  
13 chemical content of the metal; and

14 (C) sells or purchases the ferrous or nonferrous  
15 metal solely for use as raw material in the production of new  
16 products.

17 (8) "Motor vehicle" has the meaning assigned by  
18 Section 501.002 [~~501.002(14)~~].

19 (9) "Nonrepairable motor vehicle" means a motor  
20 vehicle that:

21 (A) is damaged, wrecked, or burned to the extent  
22 that the only residual value of the vehicle is as a source of parts  
23 or scrap metal; or

24 (B) comes into this state under a comparable  
25 [~~title or other~~] ownership document that indicates that the vehicle  
26 is nonrepairable [~~, junked, or for parts or dismantling only~~].

27 (10) "Nonrepairable vehicle title" means a printed

1 document issued by the department that evidences ownership of a  
2 nonrepairable motor vehicle.

3 (10-a) "Nonrepairable record of title" means an  
4 electronic record of ownership of a nonrepairable motor vehicle.

5 (12) "Out-of-state ownership document" means a  
6 negotiable document issued by another state or jurisdiction that  
7 the department considers sufficient to prove ownership of a  
8 nonrepairable motor vehicle or salvage motor vehicle and to support  
9 the issuance of a comparable Texas [~~certificate of~~] title for the  
10 motor vehicle. The term does not include any [~~a~~] title or  
11 certificate issued by the department [~~, including a regular~~  
12 ~~certificate of title, a nonrepairable vehicle title, a salvage~~  
13 ~~vehicle title, a Texas Salvage Certificate, Certificate of~~  
14 ~~Authority to Demolish a Motor Vehicle, or another ownership~~  
15 ~~document issued by the department]~~.

16 (14) "Rebuilder" means a person who acquires and  
17 repairs, rebuilds, or reconstructs for operation on a public  
18 highway, [~~three or~~] more than five salvage motor vehicles in a  
19 calendar year.

20 (15) "Salvage motor vehicle" [~~+~~

21 [~~(A)~~] means a motor vehicle that:

22 (A) [~~(i)~~] has damage to or is missing a major  
23 component part to the extent that the cost of repairs, including  
24 parts and labor other than the cost of materials and labor for  
25 repainting the motor vehicle and excluding sales tax on the total  
26 cost of repairs, exceeds the actual cash value of the motor vehicle  
27 immediately before the damage; or

1            (B) [~~(ii) is damaged and that~~] comes into this  
2 state under an out-of-state salvage motor vehicle [~~certificate of~~]  
3 title or similar out-of-state ownership document [~~that states on~~  
4 ~~its face "accident damage," "flood damage," "inoperable,"~~  
5 ~~"rebuildable," "salvageable," or similar notation; and~~

6            [~~(B) does not include an out-of-state motor~~  
7 ~~vehicle with a "rebuilt," "prior salvage," "salvaged," or similar~~  
8 ~~notation, a nonrepairable motor vehicle, or a motor vehicle for~~  
9 ~~which an insurance company has paid a claim for:~~

10            [~~(i) the cost of repairing hail damage; or~~  
11            [~~(ii) theft, unless the motor vehicle was~~  
12 ~~damaged during the theft and before recovery to the extent~~  
13 ~~described by Paragraph (A)(i)].~~

14            (16) "Salvage vehicle title" means a printed document  
15 issued by the department that evidences ownership of a salvage  
16 motor vehicle.

17            (16-a) "Salvage record of title" means an electronic  
18 record of ownership of a salvage motor vehicle.

19            (17) "Salvage vehicle dealer" means a person engaged  
20 in this state in the business of acquiring, selling, repairing,  
21 rebuilding, reconstructing, or otherwise dealing in nonrepairable  
22 motor vehicles, salvage motor vehicles, or, if incidental to a  
23 salvage motor vehicle dealer's primary business, used automotive  
24 parts regardless of whether the person holds a license issued by the  
25 department to engage in that business. The term does not include an  
26 unlicensed [~~a~~] person who:

27            (A) casually repairs, rebuilds, or reconstructs

1 not more [~~fewer~~] than five nonrepairable motor vehicles or salvage  
2 motor vehicles in the same calendar year [~~or, except as provided by~~  
3 ~~Paragraph (C), a used automotive parts recycler. The term includes~~  
4 ~~a person engaged in the business of:~~

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

8 (B) buys not more than five [~~dealing in~~]  
9 nonrepairable motor vehicles or salvage motor vehicles in the same  
10 calendar year; or

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

15 (18) "Self-insured motor vehicle" means a motor  
16 vehicle for which the [~~evidence of ownership is a manufacturer's~~  
17 ~~certificate of origin or for which the department or another state~~  
18 ~~or jurisdiction has issued a regular certificate of title, is~~  
19 ~~self-insured by the] owner [~~, and is owned by an individual, a~~  
20 ~~business,~~] or a governmental entity assumes full financial  
21 responsibility for motor vehicle loss claims[~~,~~] without regard to  
22 the number of motor vehicles they own or operate. The term does not  
23 include a motor vehicle that is insured by an insurance company.~~

24 SECTION 38. Section 501.098, Transportation Code, is  
25 redesignated as Section 501.09111, Transportation Code, and  
26 amended to read as follows:

27 Sec. 501.09111 [~~501.098~~]. RIGHTS AND LIMITATIONS OF [~~HOLDER~~

1 ~~OF~~] NONREPAIRABLE VEHICLE TITLE, NONREPAIRABLE RECORD OF TITLE,  
2 [~~OR~~] SALVAGE VEHICLE TITLE, OR SALVAGE RECORD OF TITLE. (a) A  
3 person who owns [~~holds~~] a nonrepairable [~~vehicle title for a~~] motor  
4 vehicle:

5 (1) is entitled to possess, transport, dismantle,  
6 scrap, destroy, record a lien as provided for in Section  
7 501.097(a)(3)(A), and sell, transfer, or release ownership of the  
8 motor vehicle or a used part from the motor vehicle; and

9 (2) may not:

10 (A) operate or permit the operation of the motor  
11 vehicle on a public highway, in addition to any other requirement of  
12 law;

13 (B) repair, rebuild, or reconstruct the motor  
14 vehicle; or

15 (C) register the motor vehicle.

16 (b) A person who holds a nonrepairable certificate of title  
17 issued prior to September 1, 2003, [+

18 [~~1~~] is entitled to the same rights listed in  
19 Subsection (a) and may [+

20 [~~A~~] repair, rebuild, or reconstruct the motor  
21 vehicle [+

22 [~~B~~] ~~possess, transport, dismantle, scrap, or~~  
23 ~~destroy the motor vehicle; and~~

24 [~~C~~] ~~sell, transfer, or release ownership of the~~  
25 ~~vehicle or a used part from the motor vehicle; and~~

26 [~~2~~] may not:

27 [~~A~~] ~~operate or permit the operation of the motor~~



1 ~~vehicle on a public highway, in addition to any other requirement of~~  
2 ~~law, or~~

3 [~~(B) register the motor vehicle~~].

4 (c) A person who owns [~~holds~~] a salvage [~~vehicle title for~~  
5 ~~a~~] motor vehicle:

6 (1) is entitled to possess, transport, dismantle,  
7 scrap, destroy, repair, rebuild, reconstruct, record a lien on, and  
8 sell, transfer, or release ownership of the motor vehicle or a used  
9 part from the motor vehicle; and

10 (2) may not operate, register, or permit the operation  
11 of the motor vehicle on a public highway, in addition to any other  
12 requirement of law.

13 SECTION 39. Section 501.103, Transportation Code, is  
14 redesignated as Section 501.09112, Transportation Code, and  
15 amended to read as follows:

16 Sec. 501.09112 [~~501.103~~]. APPEARANCE [~~COLOR~~] OF  
17 NONREPAIRABLE VEHICLE TITLE OR SALVAGE VEHICLE TITLE. (a) The  
18 department's printed [~~department shall print a~~] nonrepairable  
19 vehicle title must [+

20 [~~(1) in a color that distinguishes it from a regular~~  
21 ~~certificate of title or salvage vehicle title, and~~

22 [~~(2) so that it~~] clearly indicate [~~shows~~] that it is  
23 the negotiable ownership document for a nonrepairable motor  
24 vehicle.

25 (b) A nonrepairable vehicle title must clearly indicate  
26 [~~state on its face~~] that the motor vehicle:

27 (1) may not be:

1 (A) issued a regular [~~certificate of~~] title;  
2 (B) registered in this state; or  
3 (C) repaired, rebuilt, or reconstructed; and  
4 (2) may be used only as a source for used parts or  
5 scrap metal.

6 (c) The department's printed [~~department shall print a~~]  
7 salvage vehicle title must [+

8 [~~(A) in a color that distinguishes it from a~~  
9 ~~regular certificate of title or nonrepairable vehicle title; and~~

10 [~~(B) so that each document~~] clearly show [~~shows~~]  
11 that it is the ownership document for a salvage motor vehicle.

12 (d) A salvage vehicle title or a salvage record of title for  
13 a vehicle that is a salvage motor vehicle because of damage caused  
14 exclusively by flood must bear a notation [~~on its face~~] that the  
15 department considers appropriate. If the title for a motor vehicle  
16 reflects the notation required by this subsection, the owner may  
17 sell, transfer, or release the motor vehicle only as provided by  
18 this subchapter.

19 (e) An electronic application for a nonrepairable vehicle  
20 title, nonrepairable record of title, salvage vehicle title, or  
21 salvage record of title must clearly advise the applicant of the  
22 same provisions required on a printed title.

23 (f) A nonrepairable vehicle title, nonrepairable record of  
24 title, salvage vehicle title, or salvage record of title in the  
25 department's electronic database must include appropriate remarks  
26 so that the vehicle record clearly shows the status of the vehicle

27 [~~(e) The department may provide a stamp to a person who is a~~

1 ~~licensed salvage vehicle dealer under Chapter 2302, Occupations~~  
2 ~~Code, to mark the face of a title under this subchapter. The~~  
3 ~~department shall provide the stamp to the person for a fee in the~~  
4 ~~amount determined by the department to be necessary for the~~  
5 ~~department to recover the cost of providing the stamp].~~

6 SECTION 40. Section 501.101, Transportation Code, is  
7 redesignated as Section 501.09113, Transportation Code, and  
8 amended to read as follows:

9 Sec. 501.09113 ~~[501.101]~~. OUT-OF-STATE SALVAGE OR REBUILT  
10 SALVAGE VEHICLE ~~[ISSUANCE OF TITLE TO MOTOR VEHICLE BROUGHT INTO~~  
11 ~~STATE]~~. (a) This section applies only to a motor vehicle brought  
12 into this state from another state or jurisdiction that has on any  
13 ~~[certificate of]~~ title or comparable out-of-state ownership  
14 document issued by the other state or jurisdiction:

- 15 (1) a "rebuilt," "salvage," or similar notation; or  
16 (2) a "nonrepairable," "dismantle only," "parts  
17 only," "junked," "scrapped," or similar notation.

18 (b) On receipt of a complete application from the owner of  
19 the motor vehicle, the department shall issue the applicant the  
20 appropriate ~~[certificate of]~~ title for the motor vehicle.

21 ~~[(c) A certificate of title issued under this section must~~  
22 ~~show on its face:~~

- 23 ~~[(1) the date of issuance,~~  
24 ~~[(2) the name and address of the owner,~~  
25 ~~[(3) any registration number assigned to the motor~~  
26 ~~vehicle, and~~  
27 ~~[(4) a description of the motor vehicle or other~~

1 ~~notation the department considers necessary or appropriate.]~~

2 SECTION 41. The heading to Section 501.095, Transportation  
3 Code, is amended to read as follows:

4 Sec. 501.095. SALE, TRANSFER, OR RELEASE [~~OF NONREPAIRABLE~~  
5 ~~MOTOR VEHICLE OR SALVAGE MOTOR VEHICLE~~].

6 SECTION 42. Sections 501.095(a) and (b), Transportation  
7 Code, are amended to read as follows:

8 (a) If the department has not issued a nonrepairable vehicle  
9 title, nonrepairable record of title, [~~or~~] salvage vehicle title,  
10 or salvage record of title for the motor vehicle and a comparable  
11 [~~an~~] out-of-state ownership document for the motor vehicle has not  
12 been issued by another state or jurisdiction, a business or  
13 governmental entity described by Subdivisions (1)-(3) may sell,  
14 transfer, or release a nonrepairable motor vehicle or salvage motor  
15 vehicle only to a person who is:

16 (1) a licensed salvage vehicle dealer, a used  
17 automotive parts recycler under Chapter 2309, Occupations Code, or  
18 a metal recycler under Chapter 2302, Occupations Code;

19 (2) an insurance company that has paid a claim on the  
20 nonrepairable or salvage motor vehicle; or

21 (3) a governmental entity [~~or~~]

22 [~~(4) an out-of-state buyer~~].

23 (b) An owner [~~A person~~], other than a salvage vehicle  
24 dealer, a used automotive parts recycler, or an insurance company  
25 licensed to do business in this state, who acquired ownership of a  
26 nonrepairable or salvage motor vehicle that has not been issued a  
27 nonrepairable vehicle title, nonrepairable record of title,

1 salvage vehicle title, salvage record of title, or a comparable  
2 ownership document issued by another state or jurisdiction shall,  
3 before selling the motor vehicle, surrender the properly assigned  
4 [~~certificate of~~] title for the motor vehicle to the department and  
5 apply to the department for the appropriate ownership document [+

6           ~~[(1) a nonrepairable vehicle title if the vehicle is a~~  
7 ~~nonrepairable motor vehicle; or~~

8           ~~[(2) a salvage vehicle title if the vehicle is a~~  
9 ~~salvage motor vehicle].~~

10           SECTION 43. Section 501.097, Transportation Code, is  
11 amended by amending Subsections (a), (b), and (c) and adding  
12 Subsection (c-1) to read as follows:

13           (a) An application for a nonrepairable vehicle title,  
14 nonrepairable record of title, [~~or~~] salvage vehicle title, or  
15 salvage record of title must:

16           (1) be made in [~~on~~] a manner [~~form~~] prescribed by the  
17 department and accompanied by a \$8 application fee;

18           (2) include, in addition to any other information  
19 required by the department:

20           (A) the name and current address of the owner;  
21 and

22           (B) a description of the motor vehicle, including  
23 the make, style of body, model year, and vehicle identification  
24 number [~~, and~~

25           ~~[(C) a statement describing whether the motor~~  
26 ~~vehicle:~~

27           ~~[(i) was the subject of a total loss claim~~

1 ~~paid by an insurance company under Section 501.092 or 501.093;~~  
2 ~~[(ii) is a self-insured motor vehicle under~~  
3 ~~Section 501.094;~~  
4 ~~[(iii) is an export-only motor vehicle~~  
5 ~~under Section 501.099; or~~  
6 ~~[(iv) was sold, transferred, or released to~~  
7 ~~the owner or former owner of the motor vehicle or a buyer at a casual~~  
8 ~~sale]; and~~

9 (3) include the name and address of:

10 (A) any currently recorded lienholder, if the  
11 motor vehicle is a nonrepairable motor vehicle; or

12 (B) any currently recorded lienholder or a new  
13 lienholder, if the motor vehicle is a salvage motor vehicle.

14 (b) Except as provided by Sections 501.10015 and 501.10025,  
15 on [On] receipt of a complete application, the properly assigned  
16 title or manufacturer's certificate of origin, and the application  
17 fee, the department shall, before the sixth business day after the  
18 date the department receives the application, issue the applicant  
19 the appropriate title for the motor vehicle.

20 (c) A printed nonrepairable vehicle title must state on its  
21 face that the motor vehicle:

22 (1) may not:

23 (A) be repaired, rebuilt, or reconstructed;

24 (B) be issued a [~~regular certificate of~~] title or  
25 registered in this state;

26 (C) be operated on a public highway, in addition  
27 to any other requirement of law; and

1           (2) may only be used as a source for used parts or  
2 scrap metal.

3           (c-1) The department's titling system must include a remark  
4 that clearly identifies the vehicle as a salvage or nonrepairable  
5 motor vehicle.

6           SECTION 44. Sections 501.100(a), (b), (c), and (f),  
7 Transportation Code, are amended to read as follows:

8           (a) A vehicle for which a nonrepairable certificate of title  
9 issued prior to September 1, 2003, or for which a salvage vehicle  
10 title or salvage record of title has been issued may obtain [~~be~~  
11 ~~issued~~] a [~~regular certificate of~~] title after the motor vehicle  
12 has been repaired, rebuilt, or reconstructed [~~by a person described~~  
13 ~~by Section 501.104(a)~~] and, in addition to any other requirement of  
14 law, only if the application [~~is accompanied by a separate form~~  
15 ~~that~~]:

16           (1) describes each major component part used to repair  
17 the motor vehicle;

18           (2) states the name of each person from whom the parts  
19 used in assembling the vehicle were obtained; and

20           (3) [(2)] shows the identification number required by  
21 federal law to be affixed to or inscribed on the part.

22           (b) On receipt of a complete application under this section  
23 accompanied by the [~~\$13~~] fee for the [~~certificate of~~] title, the  
24 department shall issue the applicant a [~~regular certificate of~~]  
25 title [~~for the motor vehicle~~].

26           (c) A [~~regular certificate of~~] title issued under this  
27 section must [+]

1           ~~[(1)]~~ describe or disclose the motor vehicle's former  
2 condition in a manner reasonably understandable to a potential  
3 purchaser of the motor vehicle [~~, and~~

4           ~~[(2) bear on its face the words "REBUILT SALVAGE" in~~  
5 ~~capital letters that:~~

6                   ~~[(A) are red,~~

7                   ~~[(B) are centered on and occupy at least 15~~  
8 ~~percent of the face of the certificate of title; and~~

9                   ~~[(C) do not prevent any other words on the title~~  
10 ~~from being read or copied].~~

11           (f) The department may not issue a regular [~~certificate of~~  
12 title for a motor vehicle based on a:

13                   (1) nonrepairable vehicle title or comparable  
14 out-of-state ownership document;

15                   (2) receipt issued under Section 501.1003(b)  
16 [~~501.096(b)~~]; or

17                   (3) certificate of authority.

18           SECTION 45. Section 501.092, Transportation Code, is  
19 redesignated as Section 501.1001, Transportation Code, and amended  
20 to read as follows:

21           Sec. 501.1001 [~~501.092~~]. [~~INSURANCE COMPANY TO SURRENDER~~  
22 ~~CERTIFICATES OF TITLE TO CERTAIN~~] SALVAGE MOTOR VEHICLES OR  
23 NONREPAIRABLE MOTOR VEHICLES FOR INSURANCE COMPANIES OR  
24 SELF-INSURED PERSONS. (a) Except as provided by Section  
25 501.10015, an [~~An~~] insurance company that is licensed to conduct  
26 business in this state and that acquires, through payment of a  
27 claim, ownership or possession of a salvage motor vehicle or



1 nonrepairable motor vehicle covered by a [~~certificate of~~] title  
2 issued by this state or a manufacturer's certificate of origin  
3 shall surrender a properly assigned title or manufacturer's  
4 certificate of origin to the department, in [~~on~~] a manner [~~form~~]  
5 prescribed by the department[, ~~except that not earlier than the~~  
6 ~~46th day after the date of payment of the claim the insurance~~  
7 ~~company may surrender a certificate of title, on a form prescribed~~  
8 ~~by the department, and receive a salvage certificate of title or a~~  
9 ~~nonrepairable certificate of title without obtaining a properly~~  
10 ~~assigned certificate of title if the insurance company:~~

11 [~~(1) has obtained the release of all liens on the motor~~  
12 ~~vehicle;~~

13 [~~(2) is unable to locate one or more owners of the~~  
14 ~~motor vehicle; and~~

15 [~~(3) has provided notice to the last known address in~~  
16 ~~the department's records to each owner that has not been located:~~

17 [~~(A) by registered or certified mail, return~~  
18 ~~receipt requested; or~~

19 [~~(B) if a notice sent under Paragraph (A) is~~  
20 ~~returned unclaimed, by publication in a newspaper of general~~  
21 ~~circulation in the area where the unclaimed mail notice was sent].~~

22 (b) For a salvage motor vehicle, the insurance company shall  
23 apply for a salvage vehicle title or salvage record of title. For a  
24 nonrepairable motor vehicle, the insurance company shall apply for  
25 a nonrepairable vehicle title or nonrepairable record of title.

26 (c) [~~An insurance company may not sell a motor vehicle to~~  
27 ~~which this section applies unless the department has issued a~~

1 ~~salvage vehicle title or a nonrepairable vehicle title for the~~  
2 ~~motor vehicle or a comparable ownership document has been issued by~~  
3 ~~another state or jurisdiction for the motor vehicle.~~

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

14 ~~[(e)]~~ An insurance company or other person who acquires  
15 ownership of a motor vehicle other than a nonrepairable or salvage  
16 motor vehicle may voluntarily and on proper application obtain a  
17 salvage vehicle title, salvage record of title, ~~[or a]~~  
18 nonrepairable vehicle title, or nonrepairable record of title for  
19 the vehicle.

20 (d) This subsection applies only to a motor vehicle in this  
21 state that is a self-insured motor vehicle and that is damaged to  
22 the extent it becomes a nonrepairable or salvage motor vehicle. The  
23 owner of a motor vehicle to which this subsection applies shall  
24 submit to the department before the 31st business day after the date  
25 of the damage, in a manner prescribed by the department, a statement  
26 that the motor vehicle was self-insured and damaged. When the owner  
27 submits a report, the owner shall surrender the ownership document

1 and apply for a nonrepairable vehicle title, nonrepairable record  
2 of title, salvage vehicle title, or salvage record of title.

3 SECTION 46. Subchapter E, Chapter 501, Transportation Code,  
4 is amended by adding Sections 501.10015 and 501.10025 to read as  
5 follows:

6 Sec. 501.10015. INSURANCE COMPANY NOT REQUIRED TO SURRENDER  
7 CERTIFICATES OF TITLE IN CERTAIN SITUATIONS. (a) An insurance  
8 company that acquires, through payment of a claim, ownership or  
9 possession of a motor vehicle covered by a certificate of title that  
10 the company is unable to obtain may obtain from the department not  
11 earlier than the 30th day after the date of payment of the claim:

12 (1) a salvage vehicle title or salvage record of title  
13 for a salvage motor vehicle;

14 (2) a nonrepairable vehicle title or nonrepairable  
15 record of title for a nonrepairable motor vehicle; or

16 (3) a title for a motor vehicle other than a salvage  
17 motor vehicle or a nonrepairable motor vehicle.

18 (b) An application for a title under Subsection (a) must be  
19 submitted to the department on a form prescribed by the department  
20 and include:

21 (1) a statement that the insurance company has  
22 provided at least two written notices attempting to obtain the  
23 title for the motor vehicle; and

24 (2) evidence acceptable to the department that the  
25 insurance company has made payment of a claim involving the motor  
26 vehicle.

27 (c) An insurance company that acquires, through payment of a

1 claim, ownership or possession of a motor vehicle covered by a title  
2 for which the company is unable to obtain proper assignment of the  
3 title may obtain from the department not earlier than the 30th day  
4 after the date of payment of the claim:

5 (1) a salvage vehicle title or salvage record of title  
6 for a salvage motor vehicle;

7 (2) a nonrepairable vehicle title or nonrepairable  
8 record of title for a nonrepairable motor vehicle; or

9 (3) a title for a motor vehicle other than a salvage  
10 motor vehicle or a nonrepairable motor vehicle.

11 (d) An application for a title under Subsection (c) must be  
12 submitted to the department on a form prescribed by the department  
13 and include:

14 (1) a statement that the insurance company has  
15 provided at least two written notices attempting to obtain a proper  
16 assignment of the title; and

17 (2) the title.

18 (e) A title issued under Subsection (a) or (c) must be  
19 issued in the name of the insurance company.

20 (f) An insurance company that acquires, through payment of a  
21 claim, ownership or possession of a salvage motor vehicle or  
22 nonrepairable motor vehicle covered by an out-of-state ownership  
23 document may obtain from the department a salvage vehicle title,  
24 salvage record of title, nonrepairable vehicle title, or  
25 nonrepairable record of title if:

26 (1) the motor vehicle was damaged, stolen, or  
27 recovered in this state;

1           (2) the motor vehicle owner from whom the company  
2 acquired ownership resides in this state; or

3           (3) otherwise allowed by department rule.

4           (g) A title may be issued under Subsection (f) if the  
5 insurance company:

6           (1) surrenders a properly assigned title on a form  
7 prescribed by the department; or

8           (2) complies with the application process for a title  
9 issued under Subsection (a) or (c).

10          (h) The department shall issue the appropriate title to a  
11 person authorized to apply for the title under this section if the  
12 department determines that the application is complete and complies  
13 with applicable law.

14          (i) The department by rule may provide that a person  
15 required by this section to provide notice may provide the notice  
16 electronically, including through the use of e-mail or an  
17 interactive website established by the department for that purpose.

18          (j) Sections 501.1001(c) and 501.095 apply to a motor  
19 vehicle acquired by an insurance company as described in Subsection  
20 (a), (c), or (f).

21          (k) The department may adopt rules to implement this  
22 section.

23          Sec. 501.10025. ISSUANCE OF TITLE TO SALVAGE POOL OPERATOR.

24          (a) In this section, "salvage pool operator" has the meaning  
25 assigned by Section 2302.001, Occupations Code.

26          (b) This section applies only to a salvage pool operator  
27 who, on request of an insurance company, takes possession of a motor

1 vehicle that is the subject of an insurance claim and the insurance  
2 company subsequently:

3 (1) denies coverage with respect to the motor vehicle;

4 or

5 (2) does not otherwise take ownership of the motor  
6 vehicle.

7 (b-1) An insurance company described by Subsection (b)  
8 shall notify the salvage pool operator of the denial of the claim  
9 regarding the motor vehicle or other disposition of the motor  
10 vehicle. The insurance company must include in the notice the name  
11 and address of the owner of the motor vehicle and the lienholder, if  
12 any.

13 (c) Before the 31st day after receiving notice under  
14 Subsection (b-1), a salvage pool operator shall notify the owner of  
15 the motor vehicle and any lienholder that:

16 (1) the owner or lienholder must remove the motor  
17 vehicle from the salvage pool operator's possession at the location  
18 specified in the notice to the owner and any lienholder not later  
19 than the 30th day after the date the notice is mailed; and

20 (2) if the motor vehicle is not removed within the time  
21 specified in the notice, the salvage pool operator will sell the  
22 motor vehicle and retain from the proceeds any costs actually  
23 incurred by the operator in obtaining, handling, and disposing of  
24 the motor vehicle as described by Subsection (d).

25 (d) The salvage pool operator may include in the costs  
26 described by Subsection (c)(2) only costs actually incurred by the  
27 salvage pool operator that have not been reimbursed by a third party

1 or are not subject to being reimbursed by a third party, such as  
2 costs of notices, title searches, and towing and other costs  
3 incurred with respect to the motor vehicle. The costs described by  
4 Subsection (c)(2):

5 (1) may not include charges for storage or impoundment  
6 of the motor vehicle; and

7 (2) may be deducted only from the proceeds of a sale of  
8 the motor vehicle.

9 (e) The notice required of a salvage pool operator under  
10 this section must be sent by registered or certified mail, return  
11 receipt requested.

12 (f) If a motor vehicle is not removed from a salvage pool  
13 operator's possession before the 31st day after the date notice is  
14 mailed to the motor vehicle's owner and any lienholder under  
15 Subsection (c), the salvage pool operator may obtain from the  
16 department:

17 (1) a salvage vehicle title or salvage record of title  
18 for a salvage motor vehicle; or

19 (2) a nonrepairable vehicle title or nonrepairable  
20 record of title for a nonrepairable motor vehicle.

21 (g) An application for a title under Subsection (f) must:

22 (1) be submitted to the department on a form  
23 prescribed by the department; and

24 (2) include evidence that the notice was mailed as  
25 required by Subsection (c) to the motor vehicle owner and any  
26 lienholder.

27 (h) A title issued under this section must be issued in the

1 name of the salvage pool operator.

2 (i) The department shall issue the appropriate title to a  
3 person authorized to apply for the title under this section if the  
4 department determines that the application is complete and complies  
5 with applicable law.

6 (j) On receipt of a title under this section, the salvage  
7 pool operator shall sell the motor vehicle and retain from the  
8 proceeds of the sale the costs incurred by the salvage pool operator  
9 as permitted by Subsection (d) along with the cost of titling and  
10 selling the motor vehicle. The salvage pool operator shall pay any  
11 excess proceeds from the sale to the previous owner of the motor  
12 vehicle and the lienholder, if any. The excess proceeds must be  
13 mailed to the lienholder.

14 (k) If the previous owner of the motor vehicle and the  
15 lienholder, if any, cannot be identified or located, any excess  
16 proceeds from the sale of the motor vehicle under Subsection (j)  
17 shall escheat to the State of Texas. The proceeds shall be  
18 administered by the comptroller and shall be disposed of in the  
19 manner provided by Chapter 74, Property Code.

20 SECTION 47. Section 501.093, Transportation Code, is  
21 redesignated as Section 501.1002, Transportation Code, and amended  
22 to read as follows:

23 Sec. 501.1002 [~~501.093~~]. OWNER-RETAINED [~~INSURANCE COMPANY~~  
24 ~~REPORT ON CERTAIN~~] VEHICLES. (a) If an insurance company pays a  
25 claim on a nonrepairable motor vehicle or salvage motor vehicle and  
26 the insurance company does not acquire ownership of the motor  
27 vehicle, the insurance company shall:



1           (1) apply on behalf of the owner for a nonrepairable  
2 vehicle title, nonrepairable record of title, salvage vehicle  
3 title, or salvage record of title; or

4           (2) notify the owner of the information contained in:

5                   (A) Subsection (b); or

6                   (B) Section 501.09111; and

7           (3) submit to the department, before the 31st day  
8 after the date of the payment of the claim, in a manner [~~on the~~  
9 ~~form~~] prescribed by the department, a report stating that the  
10 insurance company:

11                   (A) [(1)] has paid a claim on the motor vehicle;

12 and

13                   (B) [(2)] has not acquired ownership of the motor

14 vehicle.

15           (b) The owner of a motor vehicle to which this section  
16 applies may not operate or permit operation of the motor vehicle on  
17 a public highway or transfer ownership of the motor vehicle by sale  
18 or otherwise unless the department has issued a salvage vehicle  
19 title, salvage record of title, [or a] nonrepairable vehicle title,  
20 or nonrepairable record of title for the motor vehicle or a  
21 comparable ownership document has been issued by another state or  
22 jurisdiction for the motor vehicle.

23           ~~[(c) Subsection (b) does not apply if:~~

24                   ~~[(1) the department has issued a nonrepairable vehicle~~  
25 ~~title or salvage vehicle title for the motor vehicle; or~~

26                   ~~[(2) another state or jurisdiction has issued a~~  
27 ~~comparable out-of-state ownership document for the motor vehicle.]~~

1 SECTION 48. Section 501.096, Transportation Code, is  
2 redesignated as Section 501.1003, Transportation Code, and amended  
3 to read as follows:

4 Sec. 501.1003 [~~501.096~~]. [~~NONREPAIRABLE MOTOR VEHICLE OR~~  
5 SALVAGE DEALER RESPONSIBILITIES [~~MOTOR VEHICLE DISMANTLED,~~  
6 ~~SCRAPPED, OR DESTROYED~~]. (a) If a salvage vehicle dealer acquires  
7 ownership of a nonrepairable motor vehicle or salvage motor vehicle  
8 for the purpose of dismantling, scrapping, or destroying the motor  
9 vehicle, the dealer shall, before the 31st day after the date the  
10 dealer acquires the motor vehicle, submit to the department a  
11 report stating that the motor vehicle will be dismantled, scrapped,  
12 or destroyed. The dealer shall:

13 (1) make the report in a manner [~~on a form~~] prescribed  
14 by the department; and

15 (2) submit with the report a properly assigned  
16 manufacturer's certificate of origin, regular certificate of  
17 title, nonrepairable vehicle title, salvage vehicle title, or  
18 comparable out-of-state ownership document for the motor vehicle.

19 (b) After receiving the report and title or document, the  
20 department shall issue the salvage vehicle dealer a receipt for the  
21 manufacturer's certificate of origin, regular certificate of  
22 title, nonrepairable vehicle title, salvage vehicle title, or  
23 comparable out-of-state ownership document.

24 (c) The department shall adopt rules to notify the salvage  
25 [~~vehicle~~] dealer if the vehicle was not issued a printed title, but  
26 has a record of title in the department's titling system [~~shall~~;

27 [~~(1) keep on the business premises of the dealer,~~

1 ~~until the third anniversary of the date the report on the motor~~  
2 ~~vehicle is submitted to the department, a record of the vehicle, its~~  
3 ~~ownership, and its condition as dismantled, scrapped, or destroyed,~~  
4 ~~and~~

5 ~~[(2) present to the department, on the form prescribed~~  
6 ~~by the department, evidence that the motor vehicle was dismantled,~~  
7 ~~scrapped, or destroyed before the 61st day after the date the dealer~~  
8 ~~completed the dismantling, scrapping, or destruction of the motor~~  
9 ~~vehicle].~~

10 SECTION 49. Section 501.104, Transportation Code, is  
11 amended to read as follows:

12 Sec. 501.104. REBUILDER TO POSSESS TITLE OR OTHER  
13 DOCUMENTATION. (a) This section applies [~~only~~] to [~~+~~

14 [~~(1) a rebuilder licensed as a salvage vehicle dealer,~~  
15 [~~(2)~~] a person engaged in repairing, rebuilding, or  
16 reconstructing more than five motor vehicles [~~the business of a~~  
17 ~~rebuilder~~], regardless of whether the person is licensed to engage  
18 in that business [~~, or~~

19 [~~(3) a person engaged in the casual repair,~~  
20 ~~rebuilding, or reconstruction of fewer than three motor vehicles in~~  
21 ~~the same 12-month period].~~

22 (b) A person described by Subsection (a) must possess:

23 (1) an acceptable [~~a regular certificate of title,~~  
24 ~~nonrepairable vehicle title, salvage vehicle title, or comparable~~  
25 ~~out-of-state]~~ ownership document or proof of ownership for any  
26 motor vehicle that is:

27 (A) owned by the person;

- 1 (B) in the person's inventory; and  
2 (C) being offered for resale; or  
3 (2) a contract entered into with the owner, a work  
4 order, or another document that shows the authority for the person  
5 to possess any motor vehicle that is:  
6 (A) owned by another person;  
7 (B) on the person's business or casual premises;  
8 and  
9 (C) being repaired, rebuilt, or reconstructed  
10 for the other person.

11 SECTION 50. Section 501.105, Transportation Code, is  
12 redesignated as Section 501.108, Transportation Code, and amended  
13 to read as follows:

14 Sec. 501.108 [~~501.105~~]. RECORD RETENTION [~~OF RECORDS~~  
15 ~~RELATING TO CERTAIN CASUAL SALES~~]. (a) Each licensed salvage  
16 vehicle dealer, used automotive parts recycler, or insurance  
17 company that sells a nonrepairable motor vehicle or a salvage motor  
18 vehicle at a casual sale shall keep on the business premises of the  
19 dealer or the insurance company a list of all casual sales made  
20 during the preceding 36-month period that contains:

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

27 (b) A salvage vehicle dealer or used automotive parts

1 recycler shall keep on the business premises of the dealer or  
2 recycler, until the third anniversary of the date the report on the  
3 motor vehicle is submitted to the department, a record of the  
4 vehicle, its ownership, and its condition as dismantled, scrapped,  
5 or destroyed as required by Section 501.1003.

6 SECTION 51. (a) Section 501.102, Transportation Code, is  
7 redesignated as Section 501.109, Transportation Code, and amended  
8 to read as follows:

9 Sec. 501.109 [~~501.102~~]. OFFENSES. (a) A person commits an  
10 offense if the person:

11 (1) applies to the department for a [~~regular~~  
12 ~~certificate of~~] title for a motor vehicle; and

13 (2) knows or reasonably should know that:

14 (A) the vehicle is a nonrepairable motor vehicle  
15 that has been repaired, rebuilt, or reconstructed;

16 (B) the vehicle identification number assigned  
17 to the motor vehicle belongs to a nonrepairable motor vehicle that  
18 has been repaired, rebuilt, or reconstructed;

19 (C) the title issued to the motor vehicle belongs  
20 to a nonrepairable motor vehicle that has been repaired, rebuilt,  
21 or reconstructed;

22 (D) the vehicle identification number assigned  
23 to the motor vehicle belongs to an export-only motor vehicle;

24 (E) the motor vehicle is an export-only motor  
25 vehicle; or

26 (F) the motor vehicle is a nonrepairable motor  
27 vehicle or salvage motor vehicle for which a nonrepairable vehicle

1 title, salvage vehicle title, or comparable ownership document  
2 issued by another state or jurisdiction has not been issued.

3 (b) A person commits an offense if the person knowingly  
4 sells, transfers, or releases a salvage motor vehicle in violation  
5 of this subchapter.

6 (c) A person commits an offense if the person knowingly  
7 fails or refuses to surrender a regular certificate of title after  
8 the person:

9 (1) receives a notice from an insurance company that  
10 the motor vehicle is a nonrepairable or salvage motor vehicle; or

11 (2) knows the vehicle has become a nonrepairable motor  
12 vehicle or salvage motor vehicle under Section 501.1001 [~~501.094~~].

13 (d) Except as provided by Subsection (e), an offense under  
14 this section is a Class C misdemeanor.

15 (e) If it is shown on the trial of an offense under this  
16 section that the defendant has been previously convicted of:

17 (1) one offense under this section, the offense is a  
18 Class B misdemeanor; or

19 (2) two or more offenses under this section, the  
20 offense is a state jail felony.

21 (f) Subsection (c) does not apply to an applicant for a  
22 title under Sections 501.10015 and 501.10025.

23 (b) The change in law made by this section applies only to an  
24 offense committed on or after the effective date of this Act. An  
25 offense committed before the effective date of this Act is governed  
26 by the law in effect on the date the offense was committed, and the  
27 former law is continued in effect for that purpose. For purposes of

1 this subsection, an offense was committed before the effective date  
2 of this Act if any element of the offense occurred before that date.

3 SECTION 52. Section 501.106, Transportation Code, is  
4 redesignated as Section 501.110, Transportation Code, and amended  
5 to read as follows:

6 Sec. 501.110 [~~501.106~~]. ENFORCEMENT OF SUBCHAPTER. (a)  
7 This subchapter shall be enforced by the department and any other  
8 governmental or law enforcement entity, including the Department of  
9 Public Safety, and the personnel of the entity as provided by this  
10 subchapter.

11 (b) The department, an agent, officer, or employee of the  
12 department, or another person enforcing this subchapter is not  
13 liable to a person damaged or injured by an act or omission relating  
14 to the issuance or revocation of a [~~regular certificate of~~] title,  
15 nonrepairable vehicle title, nonrepairable record of title, [~~or~~]  
16 salvage vehicle title, or salvage record of title under this  
17 subchapter.

18 SECTION 53. Section 501.111(a), Transportation Code, is  
19 amended to read as follows:

20 (a) Except as provided by Subsection (b), a person may  
21 perfect a security interest in a motor vehicle that is the subject  
22 of a first or subsequent sale only by recording the security  
23 interest on the [~~certificate of~~] title as provided by this chapter.

24 SECTION 54. Section 501.113, Transportation Code, is  
25 amended to read as follows:

26 Sec. 501.113. RECORDATION OF SECURITY INTEREST. (a)  
27 Recordation of a lien under this chapter is considered to occur

1 when:

2           (1) the department's titling system is updated; or

3           (2) the county assessor-collector [+

4           ~~[(1) is presented with an application for a~~  
5 ~~certificate of title that discloses the lien with tender of the~~  
6 ~~filing fee; or~~

7           ~~[(2)]~~ accepts the application of title that discloses  
8 the lien with the filing fee.

9           (b) For purposes of Chapter 9, Business & Commerce Code, the  
10 time of recording a lien under this chapter is considered to be the  
11 time of filing the security interest, and on such recordation, the  
12 recorded lienholder and assignees under Section 501.114 obtain  
13 priority over the rights of a lien creditor, as defined by Section  
14 9.102, Business & Commerce Code, for so long as the lien is recorded  
15 on the ~~[certificate of]~~ title.

16           SECTION 55. Sections 501.114(b), (d), (e), (f), and (g),  
17 Transportation Code, are amended to read as follows:

18           (b) An assignee or assignor may, but need not to retain the  
19 validity, perfection, and priority of the lien assigned, as  
20 evidence of the assignment of a lien recorded under Section  
21 501.113:

22           (1) apply to the county assessor-collector for the  
23 assignee to be named as lienholder on the ~~[certificate of]~~ title;  
24 and

25           (2) notify the debtor of the assignment.

26           (d) An application under Subsection (b) must be  
27 acknowledged[+]



1           ~~[(1) signed]~~ by the assignee ~~[, and~~  
2           ~~[(2) accompanied by:~~  
3                   ~~[(A) the applicable fee,~~  
4                   ~~[(B) a copy of the assignment agreement executed~~  
5 ~~by the parties, and~~  
6                   ~~[(C) the certificate of title on which the lien~~  
7 ~~to be assigned is recorded].~~

8           (e) On receipt of the completed application and fee, the  
9 department may:

10           (1) [~~may~~] amend the department's records to substitute  
11 the assignee for the recorded lienholder; and

12           (2) [~~shall~~] issue a new [~~certificate of~~] title as  
13 provided by this chapter [~~Section 501.027~~].

14           (f) The issuance of a [~~certificate of~~] title under  
15 Subsection (e) is recordation of the assignment.

16           (g) Regardless of whether application is made for the  
17 assignee to be named as lienholder on the [~~certificate of~~] title,  
18 the time of the recordation of a lien assigned under this section is  
19 considered to be the time the lien was initially recorded under  
20 Section 501.113.

21           SECTION 56. Section 501.115, Transportation Code, is  
22 amended to read as follows:

23           Sec. 501.115. DISCHARGE OF LIEN. (a) When a debt or claim  
24 secured by a lien has been satisfied, the lienholder shall, within a  
25 reasonable time not to exceed the maximum time allowed by Section  
26 348.408, Finance Code, execute and deliver to the owner, or the  
27 owner's designee, a discharge of the lien in [~~on~~] a manner [~~form~~]

1 prescribed by the department.

2 (b) The owner may submit [~~present~~] the discharge and  
3 [~~certificate of~~] title to the department for [~~county~~  
4 ~~assessor-collector with an application for a new certificate of~~  
5 ~~title and the department shall issue~~] a new [~~certificate of~~] title.

6 SECTION 57. Section 501.116, Transportation Code, is  
7 amended to read as follows:

8 Sec. 501.116. CANCELLATION OF DISCHARGED LIEN. The  
9 department may cancel a discharged lien that has been recorded on a  
10 [~~certificate of~~] title for 10 [~~six~~] years or more if the recorded  
11 lienholder:

- 12 (1) does not exist; or  
13 (2) cannot be located for the owner to obtain a release  
14 of the lien.

15 SECTION 58. Section 501.117, Transportation Code, is  
16 amended by amending Subsection (a) and adding Subsections (d),  
17 (d-1), (d-2), (e), and (f) to read as follows:

18 (a) The department by rule shall develop a system under  
19 which a security interest in a motor vehicle may be perfected,  
20 assigned, discharged, and canceled electronically instead of by  
21 record maintained on a certificate of title. The department may  
22 establish categories of lienholders that may participate in the  
23 system and, except as provided by this section, may require a  
24 lienholder to participate in the system [~~Participation by a~~  
25 ~~lienholder in the system is voluntary~~].

26 (d) The department may not require a depository  
27 institution, as defined by Section 180.002, Finance Code, to

1 participate in the system if the department has issued fewer than  
2 100 notifications of security interests in motor vehicles to the  
3 depository institution during a calendar year.

4 (d-1) The department may not require a depository  
5 institution, as defined by Section 180.002, Finance Code, to  
6 participate in the system:

7 (1) during 2011, if the department issues fewer than  
8 200 notifications of security interests in motor vehicles to the  
9 depository institution between September 1, 2011, and December 31,  
10 2011; and

11 (2) during 2012, if the depository institution was  
12 exempt under Subdivision (1) and the department issues fewer than  
13 200 notifications of security interests in motor vehicles to the  
14 depository institution in 2012.

15 (d-2) This subsection and Subsection (d-1) expire January  
16 1, 2013.

17 (e) The department by rule shall establish a reasonable  
18 schedule for compliance with the requirements of Subsection (a) for  
19 each category of lienholder that the department requires to  
20 participate in the system.

21 (f) The department may not:

22 (1) prohibit a lienholder from using an intermediary  
23 to access the system; or

24 (2) require a lienholder to use an intermediary to  
25 access the system.

26 SECTION 59. Sections 501.134(a), (b), (c), (d), and (g),  
27 Transportation Code, are amended to read as follows:

1           (a) If a printed [~~certificate of~~] title is lost or  
2 destroyed, the owner or lienholder disclosed on the title  
3 [~~certificate~~] may obtain, in the manner provided by this section  
4 and department rule, a certified copy of the lost or destroyed  
5 [~~certificate of~~] title directly from the department by applying in  
6 [~~on~~] a manner [~~form~~] prescribed by the department and paying a fee  
7 of \$2. A fee collected under this subsection shall be deposited to  
8 the credit of the state highway fund and may be spent only as  
9 provided by Section 501.138.

10           (b) If a lien is disclosed on a [~~certificate of~~] title, the  
11 department may issue a certified copy of the original [~~certificate~~  
12 ~~of~~] title only to the first lienholder or the lienholder's verified  
13 agent.

14           (c) The department must plainly mark "certified copy" on the  
15 face of a certified copy issued under this section [~~, and each~~  
16 ~~subsequent certificate issued for the motor vehicle until the~~  
17 ~~vehicle is transferred~~]. A subsequent purchaser or lienholder of  
18 the vehicle only acquires the rights, title, or interest in the  
19 vehicle held by the holder of the certified copy.

20           (d) A purchaser or lienholder of a motor vehicle having a  
21 certified copy issued under this section may at the time of the  
22 purchase or establishment of the lien require that the seller or  
23 owner indemnify the purchaser or lienholder and all subsequent  
24 purchasers of the vehicle against any loss the person may suffer  
25 because of a claim presented on the original [~~certificate of~~]  
26 title.

27           (g) The department may issue a certified copy of a

1 ~~[certificate of]~~ title ~~[before the fourth business day after the~~  
2 ~~date application is made]~~ only if the applicant:

3 (1) is the registered owner of the vehicle, the holder  
4 of a recorded lien against the vehicle, or a verified agent of the  
5 owner or lienholder; and

6 (2) submits personal identification as required by  
7 department rule~~[, including a photograph, issued by an agency of~~  
8 ~~this state or the United States]~~.

9 SECTION 60. Section 501.135(a), Transportation Code, is  
10 amended to read as follows:

11 (a) The department shall:

12 (1) make a record of each report to the department that  
13 a motor vehicle registered in this state has been stolen or  
14 concealed in violation of Section 32.33, Penal Code; and

15 (2) note the fact of the report in the department's  
16 records ~~[of the vehicle's certificate of title]~~.

17 SECTION 61. Sections 501.138(a), (b), and (b-1),  
18 Transportation Code, are amended to read as follows:

19 (a) An applicant for a ~~[certificate of]~~ title, other than  
20 the state or a political subdivision of the state, must pay ~~[the~~  
21 ~~county assessor-collector]~~ a fee of:

22 (1) \$33 if the applicant's residence is a county  
23 located within a nonattainment area as defined under Section 107(d)  
24 of the federal Clean Air Act (42 U.S.C. Section 7407), as amended,  
25 or is an affected county, as defined by Section 386.001, Health and  
26 Safety Code; or

27 (2) \$28 if the applicant's residence is any other

1 county.

2 (b) The fees [~~county assessor-collector~~] shall be  
3 distributed as follows [~~sent~~]:

4 (1) \$5 of the fee to the county treasurer for deposit  
5 in the officers' salary fund;

6 (2) \$8 of the fee to the department:

7 (A) together with the application within the time  
8 prescribed by Section 501.023; or

9 (B) if the fee is deposited in an  
10 interest-bearing account or certificate in the county depository or  
11 invested in an investment authorized by Subchapter A, Chapter 2256,  
12 Government Code, not later than the 35th day after the date on which  
13 the fee is received; and

14 (3) the following amount to the comptroller at the  
15 time and in the manner prescribed by the comptroller:

16 (A) \$20 of the fee if the applicant's residence  
17 is a county located within a nonattainment area as defined under  
18 Section 107(d) of the federal Clean Air Act (42 U.S.C. Section  
19 7407), as amended, or is an affected county, as defined by Section  
20 386.001, Health and Safety Code; or

21 (B) \$15 of the fee if the applicant's residence  
22 is any other county.

23 (b-1) Fees collected under Subsection (b) to be sent to the  
24 comptroller shall be deposited [~~as follows~~]:

25 [~~(1) before September 1, 2008, to the credit of the~~  
26 ~~Texas emissions reduction plan fund, and~~

27 [~~(2) on or after September 1, 2008,~~] to the credit of

1 the Texas Mobility Fund, except that \$5 of each fee imposed under  
2 Subsection (a)(1) and deposited on or after September 1, 2008, and  
3 before September 1, 2015, shall be deposited to the credit of the  
4 Texas emissions reduction plan fund.

5 SECTION 62. Section 520.031, Transportation Code, as  
6 amended by Chapters 836 (H.B. 1743) and 1423 (H.B. 2409), Acts of  
7 the 76th Legislature, Regular Session, 1999, is transferred to  
8 Subchapter H, Chapter 501, Transportation Code, redesignated as  
9 Section 501.145, Transportation Code, and reenacted and amended to  
10 read as follows:

11 Sec. 501.145 [~~520.031~~]. FILING BY PURCHASER [~~TRANSFeree~~];  
12 APPLICATION FOR TRANSFER OF TITLE [~~AND REGISTRATION~~]. (a) Not  
13 later than the later of the 30th [~~20th working~~] day after the date  
14 of assignment on [~~receiving~~] the documents or the date provided by  
15 Section 152.069, Tax Code [~~under Section 520.022 or 520.0225~~], the  
16 purchaser [~~transferee~~] of the used motor vehicle shall file with  
17 the county assessor-collector:

18 (1) [~~the license receipt and~~] the certificate of title  
19 or other evidence of title; or

20 (2) if appropriate, a document described by Section  
21 502.457 [~~520.0225(b)(1) or (2)~~] and the [~~certificate of~~] title or  
22 other evidence of ownership [~~title~~].

23 (b) The filing under Subsection (a) is an application for  
24 transfer of title as required under this chapter [~~Chapter 501~~] and  
25 [~~, if the license receipt is filed,~~] an application for transfer of  
26 the registration of the motor vehicle.

27 (c) [~~In this section, "working day" means any day other than~~

1 ~~a Saturday, a Sunday, or a holiday on which county offices are~~  
2 ~~closed.~~

3       ~~[(d)]~~ Notwithstanding Subsection (a), if the purchaser  
4 ~~[transferee]~~ is a member of the armed forces of the United States, a  
5 member of the Texas National Guard or of the National Guard of  
6 another state serving on active duty under an order of the president  
7 of the United States, or a member of a reserve component of the  
8 armed forces of the United States serving on active duty under an  
9 order of the president of the United States, the documents  
10 described by Subsection (a) must be filed with the county  
11 assessor-collector not later than the 60th ~~[working]~~ day after the  
12 date of assignment of ownership ~~[their receipt by the transferee]~~.

13       SECTION 63. Section 520.032, Transportation Code, is  
14 transferred to Subchapter H, Chapter 501, Transportation Code,  
15 redesignated as Section 501.146, Transportation Code, and amended  
16 to read as follows:

17       Sec. 501.146 ~~[520.032]~~. TITLE TRANSFER ~~[FEE]~~; LATE FEE.

18 (a) ~~[The transferee of a used motor vehicle shall pay, in addition~~  
19 ~~to any fee required under Chapter 501 for the transfer of title, a~~  
20 ~~transfer fee of \$2.50 for the transfer of the registration of the~~  
21 ~~motor vehicle.~~

22       ~~[(b)]~~ If the ~~[transferee does not file the]~~ application for  
23 the transfer of title is not filed during the period provided by  
24 Section 501.145, the ~~[520.031, the transferee is liable for a]~~ late  
25 fee is to be paid to the county assessor-collector when the  
26 application is filed. If the seller ~~[transferee]~~ holds a general  
27 distinguishing number issued under Chapter 503 of this code or



1 Chapter 2301, Occupations Code, the seller is liable for the late  
2 fee in the amount of [~~the late fee is~~] \$10. If the seller  
3 [~~transferee~~] does not hold a general distinguishing number, subject  
4 to Subsection (b) [~~(b-1)~~] the applicant's [~~amount of the~~] late fee  
5 is \$25.

6 (b) [~~(b-1)~~] If the application is filed after the 60th [~~31st~~  
7 ~~working~~] day after the date the purchaser was assigned ownership of  
8 [~~transferee received~~] the documents under Section 501.0721  
9 [~~520.022~~], the late fee imposed under Subsection (a) [~~(b)~~] accrues  
10 an additional penalty in the amount of \$25 for each subsequent  
11 30-day period, or portion of a 30-day period, in which the  
12 application is not filed.

13 ~~(c) [The county assessor-collector and the surety on the~~  
14 ~~county assessor-collector's bond are liable for the late fee if the~~  
15 ~~county assessor-collector does not collect the late fee.~~

16 [~~(d)~~] Subsections (a) and (b) [~~and (b-1)~~] do not apply if  
17 the motor vehicle is eligible to be issued:

18 (1) classic vehicle license plates under Section  
19 504.501; or

20 (2) antique vehicle license plates under Section  
21 504.502.

22 SECTION 64. Section 520.023, Transportation Code, is  
23 transferred to Subchapter H, Chapter 501, Transportation Code,  
24 redesignated as Section 501.147, Transportation Code, and amended  
25 to read as follows:

26 Sec. 501.147 [~~520.023~~]. [~~POWERS AND DUTIES OF DEPARTMENT ON~~  
27 ~~TRANSFER OF USED~~] VEHICLE TRANSFER NOTIFICATION. (a) On receipt of

1 a written notice of transfer from the seller [~~transferor~~] of a motor  
2 vehicle, the department shall indicate the transfer on the motor  
3 vehicle records maintained by the department. As an alternative to  
4 a written notice of transfer, the department shall establish  
5 procedures that permit the seller [~~transferor~~] of a motor vehicle  
6 to electronically submit a notice of transfer to the department  
7 through the department's Internet website. A notice of transfer  
8 provided through the department's Internet website is not required  
9 to bear the signature of the seller [~~transferor~~] or include the date  
10 of signing.

11 (b) [~~The department may design the written notice of~~  
12 ~~transfer to be part of the certificate of title for the vehicle.~~]  
13 The notice of transfer [~~form~~] shall be provided by the department  
14 and must include a place for the seller [~~transferor~~] to state:

15 (1) a complete description of the vehicle as  
16 prescribed by the department [~~identification number of the~~  
17 ~~vehicle~~];

18 (2) [~~the number of the license plate issued to the~~  
19 ~~vehicle, if any,~~

20 [~~3~~] the full name and address of the seller  
21 [~~transferor~~];

22 (3) [~~4~~] the full name and address of the purchaser  
23 [~~transferee~~];

24 (4) [~~5~~] the date the seller [~~transferor~~] delivered  
25 possession of the vehicle to the purchaser [~~transferee~~];

26 (5) [~~6~~] the signature of the seller [~~transferor~~];

27 and

1           (6) [~~(7)~~] the date the seller [~~transferor~~] signed the  
2 form.

3           (c) This subsection applies only if the department receives  
4 notice under Subsection (a) before the 30th day after the date the  
5 seller [~~transferor~~] delivered possession of the vehicle to the  
6 purchaser or in accordance with Section 152.069, Tax Code  
7 [~~transferee~~]. After the date of the transfer of the vehicle shown  
8 on the records of the department, the purchaser [~~transferee~~] of the  
9 vehicle shown on the records is rebuttably presumed to be:

10           (1) the owner of the vehicle; and

11           (2) subject to civil and criminal liability arising  
12 out of the use, operation, or abandonment of the vehicle, to the  
13 extent that ownership of the vehicle subjects the owner of the  
14 vehicle to criminal or civil liability under another provision of  
15 law.

16           (d) The department may adopt~~+~~

17           ~~[(1)]~~ rules to implement this section [~~and~~

18           ~~[(2) a fee for filing a notice of transfer under this~~  
19 ~~section in an amount not to exceed the lesser of the actual cost to~~  
20 ~~the department of implementing this section or \$5].~~

21           (e) This section does not impose or establish civil or  
22 criminal liability on the owner of a motor vehicle who transfers  
23 ownership of the vehicle but does not disclose the transfer to the  
24 department.

25           (f) [~~This section does not require the department to issue a~~  
26 ~~certificate of title to a person shown on a notice of transfer as~~  
27 ~~the transferee of a motor vehicle.] The department may not issue a~~

1 ~~[certificate of]~~ title or register ~~[for]~~ the vehicle until the  
2 purchaser ~~[transferee]~~ applies for a title to the county  
3 assessor-collector as provided by this chapter ~~[Chapter 501]~~.

4 (g) A transferor who files the appropriate form with the  
5 department as provided by, and in accordance with, this section,  
6 whether that form is a part of a ~~[certificate of]~~ title or a form  
7 otherwise promulgated by the department to comply with the terms of  
8 this section, has no vicarious civil or criminal liability arising  
9 out of the use, operation, or abandonment of the vehicle by another  
10 person. Proof by the transferor that the transferor filed a form  
11 under this section is a complete defense to an action brought  
12 against the transferor for an act or omission, civil or criminal,  
13 arising out of the use, operation, or abandonment of the vehicle by  
14 another person after the transferor filed the form. A copy of the  
15 form filed under this section is proof of the filing of the form.

16 SECTION 65. Section 520.033, Transportation Code, is  
17 transferred to Subchapter H, Chapter 501, Transportation Code,  
18 redesignated as Section 501.148, Transportation Code, and amended  
19 to read as follows:

20 Sec. 501.148 ~~[520.033]~~. ALLOCATION OF FEES. (a) The  
21 county assessor-collector may retain as commission for services  
22 provided under this subchapter ~~[half of each transfer fee~~  
23 ~~collected,]~~ half of each late fee~~[, and half of each additional~~  
24 ~~penalty collected under Section 520.032]~~.

25 (b) The county assessor-collector shall report and remit  
26 the balance of the fees collected to the department on Monday of  
27 each week as other ~~[registration]~~ fees are required to be reported

1 and remitted.

2 (c) Of each late fee collected from a person who does not  
3 hold a general distinguishing number by ~~[that]~~ the department  
4 ~~[receives]~~ under Subsection (b), \$10 may be used only to fund a  
5 statewide public awareness campaign designed to inform and educate  
6 the public about the provisions of this chapter.

7 SECTION 66. Section 501.152(b), Transportation Code, is  
8 amended to read as follows:

9 (b) It is not a violation of this section for the beneficial  
10 owner of a vehicle to sell or offer to sell a vehicle without having  
11 possession of the ~~[certificate of]~~ title to the vehicle if the sole  
12 reason he or she does not have possession of the ~~[certificate of]~~  
13 title is that the title is in the possession of a lienholder who has  
14 not complied with the terms of Section 501.115(a) ~~[of this code]~~.

15 SECTION 67. Section 501.153, Transportation Code, is  
16 amended to read as follows:

17 Sec. 501.153. APPLICATION FOR TITLE FOR STOLEN OR CONCEALED  
18 VEHICLE. A person commits an offense if the person applies for a  
19 ~~[certificate of]~~ title for a motor vehicle that the person knows is  
20 stolen or concealed in violation of Section 32.33, Penal Code.

21 SECTION 68. Section 501.154, Transportation Code, is  
22 amended to read as follows:

23 Sec. 501.154. ALTERATION OF CERTIFICATE OR RECEIPT. A  
24 person commits an offense if the person alters a manufacturer's ~~[or~~  
25 ~~importer's]~~ certificate, a title receipt, or a ~~[certificate of]~~  
26 title.

27 SECTION 69. Section 501.155(a), Transportation Code, is

1 amended to read as follows:

2 (a) A person commits an offense if the person knowingly  
3 provides false or incorrect information or without legal authority  
4 signs the name of another person on:

5 (1) an application for a [~~certificate of~~] title;

6 (2) an application for a certified copy of an original  
7 [~~certificate of~~] title;

8 (3) an assignment of title for a motor vehicle;

9 (4) a discharge of a lien on a title for a motor  
10 vehicle; or

11 (5) any other document required by the department or  
12 necessary to the transfer of ownership of a motor vehicle.

13 SECTION 70. The heading to Section 501.158, Transportation  
14 Code, is amended to read as follows:

15 Sec. 501.158. SEIZURE OF STOLEN VEHICLE OR VEHICLE WITH  
16 ALTERED VEHICLE IDENTIFICATION [~~SERIAL~~] NUMBER.

17 SECTION 71. Section 520.035, Transportation Code, is  
18 transferred to Subchapter H, Chapter 501, Transportation Code,  
19 redesignated as Section 501.161, Transportation Code, and amended  
20 to read as follows:

21 Sec. 501.161 [~~520.035~~]. EXECUTION OF TRANSFER DOCUMENTS;  
22 PENALTY. (a) A person who transfers a motor vehicle in this state  
23 shall complete [~~execute~~] in full and date as of the date of the  
24 transfer all documents relating to the transfer of registration or  
25 [~~certificate of~~] title. A person who transfers a vehicle commits an  
26 offense if the person fails to execute the documents in full.

27 (b) A person commits an offense if the person:

1 (1) accepts a document described by Subsection (a)  
2 that does not contain all of the required information; or

3 (2) alters or mutilates such a document.

4 (c) An offense under this section is a misdemeanor  
5 punishable by a fine of not less than \$50 and not more than \$200.

6 SECTION 72. Subchapter H, Chapter 501, Transportation Code,  
7 is amended by adding Sections 501.162 and 501.163 to read as  
8 follows:

9 Sec. 501.162. MOTOR NUMBER REQUIRED FOR REGISTRATION;  
10 PENALTY. A person commits an offense if the person violates Section  
11 501.0331. An offense under this section is a misdemeanor  
12 punishable by a fine of not less than \$50 and not more than \$100.

13 Sec. 501.163. APPLICATION FOR MOTOR NUMBER RECORD; PENALTY.  
14 A person who fails to comply with Section 501.0332 commits an  
15 offense. An offense under this section is a misdemeanor punishable  
16 by a fine of not less than \$10 and not more than \$100.

17 SECTION 73. Chapter 501, Transportation Code, is amended by  
18 adding Subchapter I to read as follows:

19 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

20 Sec. 501.171. APPLICATION OF SUBCHAPTER. This subchapter  
21 applies only if the department implements a titling system under  
22 Section 501.173.

23 Sec. 501.172. DEFINITIONS. In this subchapter:

24 (1) "Document" means information that is inscribed on  
25 a tangible medium or that is stored in an electronic or other medium  
26 and is retrievable in perceivable form.

27 (2) "Electronic" means relating to technology having

1 electrical, digital, magnetic, wireless, optical, electromagnetic,  
2 or similar capabilities.

3 (3) "Electronic document" means a document that is in  
4 an electronic form.

5 (4) "Electronic signature" means an electronic sound,  
6 symbol, or process attached to or logically associated with a  
7 document and executed or adopted by a person with the intent to sign  
8 the document.

9 (5) "Paper document" means a document that is in  
10 printed form.

11 Sec. 501.173. ELECTRONIC TITLING SYSTEM. (a) The board by  
12 rule may implement an electronic titling system.

13 (b) A record of title maintained electronically by the  
14 department in the titling system is the official record of vehicle  
15 ownership unless the owner requests that the department issue a  
16 printed title.

17 Sec. 501.174. VALIDITY OF ELECTRONIC DOCUMENTS. (a) If  
18 this chapter requires that a document be an original, be on paper or  
19 another tangible medium, or be in writing, the requirement is met by  
20 an electronic document that complies with this subchapter.

21 (b) If a law requires that a document be signed, the  
22 requirement is satisfied by an electronic signature.

23 (c) A requirement that a document or a signature associated  
24 with a document be notarized, acknowledged, verified, witnessed, or  
25 made under oath is satisfied if the electronic signature of the  
26 person authorized to perform that act, and all other information  
27 required to be included, is attached to or logically associated



1 with the document or signature. A physical or electronic image of a  
2 stamp, impression, or seal is not required to accompany an  
3 electronic signature.

4 Sec. 501.175. RECORDING OF DOCUMENTS. (a) Under the  
5 titling system, the department may:

6 (1) receive, index, store, archive, and transmit  
7 electronic documents;

8 (2) provide for access to, and for search and  
9 retrieval of, documents and information by electronic means; and

10 (3) convert into electronic form:

11 (A) paper documents that it accepts for the  
12 titling of a motor vehicle; and

13 (B) information recorded and documents that were  
14 accepted for the titling of a motor vehicle before the titling  
15 system was implemented.

16 (b) The department shall continue to accept paper documents  
17 after the titling system is implemented.

18 Sec. 501.176. PAYMENT OF FEES BY ELECTRONIC FUNDS TRANSFER  
19 OR CREDIT CARD. (a) The department may accept payment by  
20 electronic funds transfer, credit card, or debit card of any title  
21 or registration fee that the department is required or authorized  
22 to collect under this chapter.

23 (b) The department may collect a fee for processing a title  
24 or registration payment by electronic funds transfer, credit card,  
25 or debit card. The amount of the fee must not exceed the charges  
26 incurred by the state because of the use of the electronic funds  
27 transfer, credit card, or debit card.

1       (c) For online transactions the department may collect from  
2 a person making payment by electronic funds transfer, credit card,  
3 or debit card an amount equal to any fee charged in accordance with  
4 Section 2054.2591, Government Code.

5       Sec. 501.177. SERVICE CHARGE. If, for any reason, the  
6 payment of a fee under this chapter by electronic funds transfer,  
7 credit card, or debit card is not honored by the funding  
8 institution, or by the electronic funds transfer, credit card, or  
9 debit card company on which the funds are drawn, the department may  
10 collect from the person who owes the fee being collected a service  
11 charge that is for the collection of that original amount and is in  
12 addition to the original fee. The amount of the service charge must  
13 be reasonably related to the expense incurred by the department in  
14 collecting the original amount.

15       Sec. 501.178. DISPOSITION OF FEES. All fees collected  
16 under this subchapter shall be deposited to the credit of the state  
17 highway fund.

18       Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL  
19 AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and  
20 supersedes the federal Electronic Signatures in Global and National  
21 Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify,  
22 limit, or supersede Section 101(c) of that Act (15 U.S.C. Section  
23 7001(c)) or authorize electronic delivery of any of the notices  
24 described in Section 103(b) of that Act (15 U.S.C. Section  
25 7003(b)).

26       SECTION 74. Section 502.001, Transportation Code, is  
27 amended to read as follows:

1           Sec. 502.001. DEFINITIONS. In this chapter:

2           (1) "All-terrain vehicle" means a motor vehicle that  
3 is:

4                   (A) equipped with a saddle for the use of:

5                           (i) the rider; and

6                           (ii) a passenger, if the motor vehicle is  
7 designed by the manufacturer to transport a passenger;

8                   (B) designed to propel itself with three or more  
9 tires in contact with the ground;

10                   (C) designed by the manufacturer for off-highway  
11 use; and

12                   (D) not designed by the manufacturer primarily  
13 for farming or lawn care.

14           (2) "Apportioned license plate" means a license plate  
15 issued in lieu of a truck license plate or combination license plate  
16 to a motor carrier in this state who proportionally registers a  
17 vehicle owned or leased by the carrier in one or more other states.

18           (3) [~~1-a~~] "Board" means the board of the Texas  
19 Department of Motor Vehicles.

20           (4) "Combination license plate" means a license plate  
21 issued for a truck or truck-tractor that is used or intended to be  
22 used in combination with a semitrailer that has a gross weight of  
23 more than 6,000 pounds.

24           (5) "Combined gross weight" means the empty weight of  
25 the truck-tractor or commercial motor vehicle combined with the  
26 empty weight of the heaviest semitrailer used or to be used in  
27 combination with the truck-tractor or commercial motor vehicle plus

1 the heaviest net load to be carried on the combination during the  
2 registration year.

3           (6) [(1-a)] "Commercial fleet" means a group of at  
4 least 25 nonapportioned motor vehicles, semitrailers, or trailers  
5 owned, operated, or leased by a corporation, limited or general  
6 partnership, limited liability company, or other business entity  
7 and used for the business purposes of that entity.

8           (7) [(2)] "Commercial motor vehicle" means a  
9 commercial motor vehicle as defined by Section 644.001 [~~other than~~  
10 ~~a motorcycle, designed or used primarily to transport property.~~  
11 ~~The term includes a passenger car reconstructed and used primarily~~  
12 ~~for delivery purposes. The term does not include a passenger car~~  
13 ~~used to deliver the United States mail]~~.

14           (8) "Construction machinery" means a vehicle that:  
15                   (A) is used for construction;  
16                   (B) is built from the ground up;  
17                   (C) is not mounted or affixed to another vehicle  
18 such as a trailer;  
19                   (D) was originally and permanently designed as  
20 machinery;  
21                   (E) was not in any way originally designed to  
22 transport persons or property; and  
23                   (F) does not carry a load, including fuel.

24           (9) "Credit card" has the meaning assigned by Section  
25 501.002.

26           (10) "Debit card" has the meaning assigned by Section  
27 501.002.

1           (11) [~~(3)~~] "Department" means the Texas Department of  
2 Motor Vehicles.

3           (12) "Electric bicycle" has the meaning assigned by  
4 Section 541.201.

5           (13) "Electric personal assistive mobility device"  
6 has the meaning assigned by Section 551.201.

7           (14) "Empty weight" means the unladen weight of a  
8 truck-tractor or commercial motor vehicle and semitrailer  
9 combination fully equipped, as certified by a public weigher or  
10 license and weight inspector of the Department of Public Safety.

11           (15) [~~(4)~~] "Farm semitrailer" or "farm trailer" means  
12 a vehicle [~~semitrailer~~] designed and used primarily as a farm  
13 vehicle.

14           (16) [~~(5)~~] "Farm tractor" has the meaning assigned by  
15 Section 541.201 [~~means a motor vehicle designed and used primarily~~  
16 ~~as a farm implement for drawing other implements of husbandry]~~.

17           (17) "Forestry vehicle" [~~(6) "Farm trailer"~~] means a  
18 vehicle [~~trailer~~] designed and used exclusively for transporting  
19 forest products in their natural state, including logs, debarked  
20 logs, untreated ties, stave bolts, plywood bolts, pulpwood billets,  
21 wood chips, stumps, sawdust, moss, bark, and wood shavings, and  
22 property used in production of those products [~~primarily as a farm~~  
23 ~~vehicle~~].

24           (18) [~~(7)~~] "Golf cart" means a motor vehicle designed  
25 by the manufacturer primarily for use [~~transporting persons~~] on a  
26 golf course.

27           (19) "Gross vehicle weight" has the meaning assigned

1 by Section 541.401.

2           (20) [(8)] "Implements of husbandry" has the meaning  
3 assigned by Section 541.201 [~~means farm implements, machinery, and~~  
4 ~~tools as used in tilling the soil, including self-propelled~~  
5 ~~machinery specifically designed or adapted for applying plant food~~  
6 ~~materials or agricultural chemicals but not specifically designed~~  
7 ~~or adapted for the sole purpose of transporting the materials or~~  
8 ~~chemicals. The term does not include a passenger car or truck].~~

9           (21) [(9)] "Light truck" has the meaning assigned by  
10 Section 541.201 [~~means a commercial motor vehicle that has a~~  
11 ~~manufacturer's rated carrying capacity of one ton or less].~~

12           (22) [(10)] "Moped" has the meaning assigned by  
13 Section 541.201.

14           (23) [(11)] "Motor bus" includes every vehicle used to  
15 transport persons on the public highways for compensation, other  
16 than:

17                   (A) a vehicle operated by muscular power; or

18                   (B) a municipal bus.

19           (24) [(12)] "Motorcycle" has the meaning assigned by  
20 Section 521.001 or 541.201, as applicable [~~means a motor vehicle~~  
21 ~~designed to propel itself with not more than three wheels in contact~~  
22 ~~with the ground. The term does not include a tractor].~~

23           (25) [(13)] "Motor vehicle" means a vehicle that is  
24 self-propelled.

25           (26) "Motorized mobility device" has the meaning  
26 assigned by Section 542.009.

27           (27) [(14)] "Municipal bus" includes every vehicle,

1 other than a passenger car, used to transport persons for  
2 compensation exclusively within the limits of a municipality or a  
3 suburban addition to the municipality.

4 (28) "Net carrying capacity" means the heaviest net  
5 load that is able to be carried on a vehicle, but not less than the  
6 manufacturer's rated carrying capacity.

7 (29) "Oil well servicing, cleanout, or drilling  
8 machinery":

9 (A) has the meaning assigned by Section 623.149;  
10 or

11 (B) means a mobile crane:

12 (i) that is an unladen, self-propelled  
13 vehicle constructed as a machine and used solely to raise, shift, or  
14 lower heavy weights by means of a projecting, swinging mast with an  
15 engine for power on a chassis permanently constructed or assembled  
16 for that purpose; and

17 (ii) for which the owner has secured a  
18 permit from the department under Section 623.142.

19 (30) [~~15~~] "Operate temporarily on the highways"  
20 means to travel between:

21 (A) different farms;

22 (B) a place of supply or storage and a farm; or

23 (C) an owner's farm and the place at which the  
24 owner's farm produce is prepared for market or is marketed.

25 (31) [~~16~~] "Owner" means a person who:

26 (A) holds the legal title of a vehicle;

27 (B) has the legal right of possession of a

1 vehicle; or

2 (C) has the legal right of control of a vehicle.

3 (32) [(17)] "Passenger car" has the meaning assigned  
4 by Section 541.201 [means a motor vehicle, other than a motorcycle,  
5 golf cart, light truck, or bus, designed or used primarily for the  
6 transportation of persons].

7 (33) "Power sweeper" means an implement, with or  
8 without motive power, designed for the removal by a broom, vacuum,  
9 or regenerative air system of debris, dirt, gravel, litter, or sand  
10 from asphaltic concrete or cement concrete surfaces, including  
11 surfaces of parking lots, roads, streets, highways, and warehouse  
12 floors. The term includes a vehicle on which the implement is  
13 permanently mounted if the vehicle is used only as a power sweeper.

14 (34) "Private bus" means a bus that:

15 (A) is not operated for hire; and

16 (B) is not a municipal bus or a motor bus.

17 (35) [(18)] "Public highway" includes a road, street,  
18 way, thoroughfare, or bridge:

19 (A) that is in this state;

20 (B) that is for the use of vehicles;

21 (C) that is not privately owned or controlled;

22 and

23 (D) over which the state has legislative  
24 jurisdiction under its police power.

25 (36) [(19)] "Public property" means property owned or  
26 leased by this state or a political subdivision of this state.

27 (37) [(19-a)] "Recreational off-highway vehicle"



1 means a motor vehicle that is:

2 (A) equipped with a non-straddle seat for the use  
3 of:

4 (i) the rider; and

5 (ii) a passenger, if the vehicle is  
6 designed by the manufacturer to transport a passenger;

7 (B) designed to propel itself with four or more  
8 tires in contact with the ground;

9 (C) designed by the manufacturer for off-highway  
10 use by the operator only; and

11 (D) not designed by the manufacturer primarily  
12 for farming or lawn care.

13 (38) [~~(20)~~] "Road tractor" means a vehicle designed  
14 for the purpose of mowing the right-of-way of a public highway or a  
15 motor vehicle designed or used for drawing another vehicle or a load  
16 and not constructed to carry:

17 (A) an independent load; or

18 (B) a part of the weight of the vehicle and load  
19 to be drawn.

20 (39) [~~(21)~~] "Semitrailer" means a vehicle designed or  
21 used with a motor vehicle so that part of the weight of the vehicle  
22 and its load rests on or is carried by another vehicle.

23 (40) "Token trailer" means a semitrailer that:

24 (A) has a gross weight of more than 6,000 pounds;  
25 and

26 (B) is operated in combination with a truck or a  
27 truck-tractor that has been issued:

- 1                    (i) an apportioned license plate;
- 2                    (ii) a combination license plate; or
- 3                    (iii) a forestry vehicle license plate.

4                    (41) "Tow truck" means a motor vehicle adapted or used  
5 to tow, winch, or otherwise move another motor vehicle.

6                    (42) [~~22~~] "Trailer" means a vehicle that:

7                    (A) is designed or used to carry a load wholly on  
8 its own structure; and

9                    (B) is drawn or designed to be drawn by a motor  
10 vehicle.

11                   (43) "Travel trailer" has the meaning assigned by  
12 Section 501.002.

13                   (44) [~~23~~] "Truck-tractor" means a motor vehicle:

14                   (A) designed and used primarily for drawing  
15 another vehicle; and

16                   (B) not constructed to carry a load other than a  
17 part of the weight of the vehicle and load to be drawn.

18                   (45) [~~24~~] "Vehicle" means a device in or by which a  
19 person or property is or may be transported or drawn on a public  
20 highway, other than a device used exclusively on stationary rails  
21 or tracks.

22                   SECTION 75. Section 502.0021, Transportation Code, is  
23 amended to read as follows:

24                   Sec. 502.0021. RULES AND FORMS. (a) The department may  
25 adopt rules to administer this chapter.

26                   (b) The department shall post forms on the Internet and [+

27                   [~~1~~] ~~prescribe forms determined by the department to~~

1 ~~be necessary for the administration of this chapter; and~~

2           ~~[(2)]~~ provide each county assessor-collector with a  
3 sufficient ~~[an adequate]~~ supply of any ~~[each form]~~ necessary forms  
4 on request ~~[for the performance of a duty under this chapter by the~~  
5 ~~assessor-collector]~~.

6           SECTION 76. Subchapter A, Chapter 502, Transportation Code,  
7 is amended by adding Section 502.011 to read as follows:

8           Sec. 502.011. REFUSAL TO REGISTER VEHICLE FOR NONPAYMENT OF  
9 TOLL OR ADMINISTRATIVE FEE. (a) The board shall adopt rules, with  
10 input from county assessor-collectors and toll project entities, to  
11 require the county assessor-collector and the department to refuse  
12 to register a motor vehicle if the motor vehicle is the subject of a  
13 past due toll or administrative fee owed to a toll project entity.  
14 The board's rules may include a time frame for implementation of the  
15 refusal process and a requirement for a toll project entity to enter  
16 into a contract with the department that includes:

17                   (1) information necessary to determine that a toll or  
18 fee is past due;

19                   (2) notification that the registration may be  
20 reinstated because of:

21                           (A) payment or other means of discharge of the  
22 past due toll or fee; or

23                           (B) perfection of an appeal following conviction  
24 of an offense related to the nonpayment of a toll, if applicable;

25                   (3) compensation to the department or the county for  
26 reasonable expenses associated with providing services under the  
27 contract; and

1           (4) a time period when the toll or fee is considered  
2 past due.

3           (b) This section does not apply to the registration of a  
4 motor vehicle under Section 501.0234, unless the vehicle is titled  
5 and registered in the name of a person who holds a general  
6 distinguishing number.

7           (c) For purposes of this section "toll project entity" has  
8 the meaning assigned by Section 372.001, but does not include a  
9 county operating under Chapter 284 unless the commissioners court  
10 of the county adopts an order expressly electing to have this  
11 section apply to the county.

12           SECTION 77. Section 502.052, Transportation Code, is  
13 transferred to Subchapter A, Chapter 502, Transportation Code,  
14 redesignated as Section 502.00211, Transportation Code, and  
15 amended to read as follows:

16           Sec. 502.00211 [~~502.052~~]. DESIGN OF [~~LICENSE PLATES AND~~]  
17 REGISTRATION INSIGNIA[~~, REFLECTORIZED MATERIAL~~]. [~~(a)~~] The  
18 department shall prepare the designs and specifications [~~of license~~  
19 ~~plates and devices selected by the board~~] to be used as the  
20 registration insignia.

21           ~~[(b) The department shall design each license plate to~~  
22 ~~include a design at least one-half inch wide that represents in~~  
23 ~~silhouette the shape of Texas and that appears between letters and~~  
24 ~~numerals. The department may omit the silhouette of Texas from~~  
25 ~~specially designed license plates.~~

26           ~~[(c) To promote highway safety, each license plate shall be~~  
27 ~~made with a reflectorized material that provides effective and~~

1 ~~dependable brightness for the period for which the plate is~~  
2 ~~issued. The purchase of reflectorized material shall be submitted~~  
3 ~~to the comptroller for approval.]~~

4 SECTION 78. The heading to Section 502.0023, Transportation  
5 Code, is amended to read as follows:

6 Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET  
7 [~~MOTOR~~] VEHICLES.

8 SECTION 79. Section 502.0023, Transportation Code, is  
9 amended by amending Subsections (a) and (c) and adding Subsection  
10 (i) to read as follows:

11 (a) Notwithstanding Section 502.044(c) [~~502.158(c)~~], the  
12 department shall develop and implement a system of registration to  
13 allow an owner of a commercial fleet to register the motor vehicles,  
14 semitrailers, and trailers in the commercial fleet for an extended  
15 registration period of not less than one year or more than eight  
16 years. The owner may select the number of years for registration  
17 under this section within that range and register the commercial  
18 fleet for that period. Payment for all registration fees for the  
19 entire registration period selected is due at the time of  
20 registration.

21 (c) In addition to the registration fees prescribed by this  
22 chapter [~~Subchapter D~~], an owner registering a commercial fleet  
23 under this section shall pay:

24 (1) an annual commercial fleet registration fee of \$10  
25 per motor vehicle, semitrailer, or trailer in the fleet; and

26 (2) except as provided by Subsection (e), a one-time  
27 license plate manufacturing fee of \$1.50 for each fleet motor

1 vehicle, semitrailer, or trailer license plate.

2 (i) The department may provide for credits for fleet  
3 registration.

4 SECTION 80. Section 502.185, Transportation Code, is  
5 transferred to Subchapter A, Chapter 502, Transportation Code,  
6 redesignated as Section 502.010, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.010 [~~502.185~~]. COUNTY SCOFFLAW [~~REFUSAL TO~~  
9 ~~REGISTER VEHICLE IN CERTAIN COUNTIES~~]. (a) A county  
10 assessor-collector or the department may refuse to register a motor  
11 vehicle if the assessor-collector or the department receives  
12 information that the owner of the vehicle:

13 (1) owes the county money for a fine, fee, or tax that  
14 is past due; or

15 (2) failed to appear in connection with a complaint,  
16 citation, information, or indictment in a court in the county in  
17 which a criminal proceeding is pending against the owner.

18 (b) A county may contract with the department to provide  
19 information to the department necessary to make a determination  
20 under Subsection (a).

21 (c) A county that has a contract under Subsection (b) shall  
22 notify the department regarding a person for whom the county  
23 assessor-collector or the department has refused to register a  
24 motor vehicle on:

25 (1) the person's payment or other means of discharge of  
26 the past due fine, fee, or tax; or

27 (2) perfection of an appeal of the case contesting

1 payment of the fine, fee, or tax.

2 (d) After notice is received under Subsection (c), the  
3 county assessor-collector or the department may not refuse to  
4 register the motor vehicle under Subsection (a).

5 (e) A contract under Subsection (b) must be entered into in  
6 accordance with Chapter 791, Government Code, and is subject to the  
7 ability of the parties to provide or pay for the services required  
8 under the contract.

9 (f) A county that has a contract under Subsection (b) may  
10 impose an additional fee to a person who:

11 (1) fails to pay [~~paying~~] a fine, fee, or tax to the  
12 county by the date on which the fine, fee, or tax is [~~after it is~~  
13 ~~past~~] due; or

14 (2) fails to appear in connection with a complaint,  
15 citation, information, or indictment in a court in the county in  
16 which a criminal proceeding is pending against the owner.

17 (f-1) The additional fee may be used only to reimburse the  
18 department or the county for its expenses for providing services  
19 under the contract.

20 (g) In this section:

21 (1) a fine, fee, or tax is considered past due if it is  
22 unpaid 90 or more days after the date it is due; and

23 (2) registration of a motor vehicle includes renewal  
24 of the registration of the vehicle.

25 (h) This section does not apply to the registration of a  
26 motor vehicle under Section 501.0234, unless the vehicle is titled  
27 and registered in the name of a person who holds a general

1 distinguishing number.

2 SECTION 81. The heading to Subchapter B, Chapter 502,  
3 Transportation Code, is amended to read as follows:

4 SUBCHAPTER B. REGISTRATION REQUIREMENTS [~~STATE ADMINISTRATION~~]

5 SECTION 82. Section 502.002, Transportation Code, is  
6 transferred to Subchapter B, Chapter 502, Transportation Code,  
7 redesignated as Section 502.040, Transportation Code, and amended  
8 to read as follows:

9 Sec. 502.040 [~~502.002~~]. REGISTRATION REQUIRED; GENERAL  
10 RULE. (a) Not more than 30 days after purchasing a vehicle or  
11 becoming a resident of this state, the [~~The~~] owner of a motor  
12 vehicle, trailer, or semitrailer shall apply for the registration  
13 of the vehicle for:

14 (1) each registration year in which the vehicle is  
15 used or to be used on a public highway; and

16 (2) if the vehicle is unregistered for a registration  
17 year that has begun and that applies to the vehicle and if the  
18 vehicle is used or to be used on a public highway, the remaining  
19 portion of that registration year.

20 (b) The application must be accompanied by personal  
21 identification as determined by department rule and made in a  
22 manner prescribed by [~~te~~] the department:

23 (1) through the county assessor-collector of the  
24 county in which the owner resides; or

25 (2) if the county in which the owner resides has been  
26 declared by the governor as a disaster area, through the county  
27 assessor-collector of a county that is one of the closest



1 unaffected counties to a county that asks for assistance and:

2 (A) continues to be declared by the governor as a  
3 disaster area because the county has been rendered inoperable by  
4 the disaster; and

5 (B) is inoperable for a protracted period of  
6 time.

7 (c) A provision of this chapter that conflicts with this  
8 section prevails over this section to the extent of the conflict.

9 (d) A county assessor-collector, a deputy county  
10 assessor-collector, or a person acting on behalf of a county  
11 assessor-collector is not liable to any person for:

12 (1) refusing to register a motor vehicle because of  
13 the person's failure to submit evidence of residency that complies  
14 with the department's rules; or

15 (2) registering a motor vehicle under this section.

16 SECTION 83. Section 502.157, Transportation Code, is  
17 transferred to Subchapter B, Chapter 502, Transportation Code,  
18 redesignated as Section 502.041, Transportation Code, and amended  
19 to read as follows:

20 Sec. 502.041 [~~502.157~~]. INITIAL REGISTRATION. (a)  
21 Notwithstanding Section 502.040 [~~502.002~~], [~~when a motor vehicle~~  
22 ~~must be registered before an application for a certificate of title~~  
23 ~~will be accepted,~~] the owner of a a [~~the~~] vehicle may concurrently  
24 apply for a [~~certificate of~~] title and for registration through the  
25 county assessor-collector of the county in which:

26 (1) the owner resides; or

27 (2) the vehicle is purchased or encumbered.

1 (b) The first time an owner applies for registration of a  
2 vehicle, the owner may demonstrate compliance with Section  
3 502.046(a) [~~502.153(a)~~] as to the vehicle by showing proof of  
4 financial responsibility in any manner specified in Section  
5 502.046(c) [~~502.153(c)~~] as to:

- 6 (1) any vehicle of the owner; or  
7 (2) any vehicle used as part of the consideration for  
8 the purchase of the vehicle the owner applies to register.

9 SECTION 84. Section 502.152, Transportation Code, is  
10 transferred to Subchapter B, Chapter 502, Transportation Code,  
11 redesignated as Section 502.042, Transportation Code, and amended  
12 to read as follows:

13 Sec. 502.042 [~~502.152~~]. [~~CERTIFICATE OF~~] TITLE REQUIRED  
14 FOR REGISTRATION. [~~(a)~~] The department may not register or renew  
15 the registration of a motor vehicle for which a [~~certificate of~~]  
16 title is required under Chapter 501 unless the owner:

- 17 (1) obtains a [~~certificate of~~] title for the vehicle;  
18 or  
19 (2) presents satisfactory evidence that a  
20 [~~certificate of~~] title was previously issued to the owner by the  
21 department or another jurisdiction.

22 [~~(b) This section does not apply to an automobile that was~~  
23 ~~purchased new before January 1, 1936.~~]

24 SECTION 85. Section 502.151, Transportation Code, is  
25 transferred to Subchapter B, Chapter 502, Transportation Code,  
26 redesignated as Section 502.043, Transportation Code, and amended  
27 to read as follows:

1           Sec. 502.043 [~~502.151~~]. APPLICATION FOR REGISTRATION. (a)

2 An application for vehicle registration must:

3           (1) be made in a manner prescribed and include the  
4 information required [~~on a form furnished~~] by the department by  
5 rule; and

6           (2) contain a full description [~~name and address~~  
7 ~~of the owner~~] of the vehicle as required by department rule [~~+~~

8           ~~[(3) contain a brief description of the vehicle;~~

9           ~~[(4) contain any other information required by the~~  
10 ~~department; and~~

11           ~~[(5) be signed by the owner].~~

12           (b) The department shall deny the [~~For a new motor vehicle,~~  
13 ~~the description of the vehicle must include the vehicle's:~~

14           ~~[(1) trade name;~~

15           ~~[(2) year model;~~

16           ~~[(3) style and type of body;~~

17           ~~[(4) weight, if the vehicle is a passenger car;~~

18           ~~[(5) net carrying capacity and gross weight, if the~~  
19 ~~vehicle is a commercial motor vehicle;~~

20           ~~[(6) vehicle identification number; and~~

21           ~~[(7) date of sale by the manufacturer or dealer to the~~  
22 ~~applicant.~~

23           ~~[(c) An applicant for]~~ registration of a commercial motor  
24 vehicle, truck-tractor, trailer, or semitrailer if the applicant:

25           (1) has a business operated, managed, or otherwise  
26 controlled or affiliated with a person who is ineligible for  
27 registration or whose privilege to operate has been suspended,

1 including the applicant entity, a relative, family member,  
2 corporate officer, or shareholder;

3 (2) has a vehicle that has been prohibited from  
4 operating by the Federal Motor Carrier Safety Administration for  
5 safety-related reasons;

6 (3) is a carrier whose business is operated, managed,  
7 or otherwise controlled or affiliated with a person who is  
8 ineligible for registration, including the owner, a relative, a  
9 family member, a corporate officer, or a shareholder; or

10 (4) fails to [~~must~~] deliver to the county  
11 assessor-collector proof of [~~an affidavit showing~~] the weight of  
12 the vehicle, the maximum load to be carried on the vehicle, and the  
13 gross weight for which the vehicle is to be registered. [~~The~~  
14 ~~assessor-collector shall keep the affidavit on file.~~]

15 (c) [(d)] In lieu of filing an application during a year as  
16 provided by Subsection (a), the owner of a vehicle registered in any  
17 state for that year or the preceding year may present the  
18 registration receipt and transfer receipt, if any. The county  
19 assessor-collector shall accept the receipt as an application for  
20 renewal of the registration if the receipt indicates the applicant  
21 owns the vehicle. This section allows issuance for registration  
22 purposes only but does not authorize the department to issue a  
23 title.

24 (d) The department may require an applicant for  
25 registration to provide current personal identification as  
26 determined by department rule. Any identification number required  
27 by the department under this subsection may be entered into the

1 department's electronic titling system but may not be printed on  
2 the title.

3 ~~[(e) If an owner or claimed owner has lost or misplaced the~~  
4 ~~registration receipt or transfer receipt for the vehicle, the~~  
5 ~~county assessor-collector shall register the vehicle on the~~  
6 ~~person's furnishing to the assessor-collector satisfactory~~  
7 ~~evidence, by affidavit or otherwise, that the person owns the~~  
8 ~~vehicle.~~

9 ~~[(f) A county assessor-collector shall date each~~  
10 ~~registration receipt issued for a vehicle with the date on which the~~  
11 ~~application for registration is made.]~~

12 SECTION 86. Section 502.158, Transportation Code, is  
13 transferred to Subchapter B, Chapter 502, Transportation Code,  
14 redesignated as Section 502.044, Transportation Code, and amended  
15 to read as follows:

16 Sec. 502.044 [~~502.158~~]. REGISTRATION PERIOD [~~YEAR~~]. (a)  
17 The department shall designate a vehicle registration year of 12  
18 consecutive months to begin on the first day of a calendar month and  
19 end on the last day of the 12th calendar month.

20 (b) The department shall designate vehicle registration  
21 years so as to distribute the work of the department and the county  
22 assessor-collectors as uniformly as possible throughout the year.  
23 The department may establish separate registration years for any  
24 vehicle or classification of vehicle and may adopt rules to  
25 administer the year-round registration system.

26 (c) The department may designate a registration period of  
27 less than 12 months to be [~~The registration fee for a~~

1 ~~registration period of less than 12 months is]~~ computed at a rate of  
2 one-twelfth the annual registration fee multiplied by the number of  
3 months in the registration period. The board by rule may allow  
4 payment of ~~[department may not designate a registration period of~~  
5 ~~more than 12 months, but:~~

6 ~~[(1) with the consent of the department, an owner may~~  
7 ~~pay]~~ registration fees for a designated period not to exceed the  
8 amount of time determined by department rule ~~[of more than 12~~  
9 ~~months; and~~

10 ~~[(2) an owner of a vehicle may pay registration fees~~  
11 ~~for a designated period of 12, 24, or 36 months.~~

12 ~~[(d) An application for registration shall be made during~~  
13 ~~the two months preceding the date on which the registration~~  
14 ~~expires.~~

15 ~~[(c) The fee to be paid for renewing a registration is the~~  
16 ~~fee that will be in effect on the first day of the vehicle~~  
17 ~~registration year].~~

18 (d) ~~[(g)]~~ The department shall issue ~~[the applicant for~~  
19 ~~registration who pays registration fees for a designated period of~~  
20 ~~24 or 36 months]~~ a registration receipt and registration insignia  
21 that are valid until the expiration of the designated period.

22 SECTION 87. Section 502.176, Transportation Code, is  
23 transferred to Subchapter B, Chapter 502, Transportation Code,  
24 redesignated as Section 502.045, Transportation Code, and amended  
25 to read as follows:

26 Sec. 502.045 ~~[502.176]~~. DELINQUENT REGISTRATION. (a) A  
27 registration fee ~~[prescribed by this chapter]~~ for a vehicle becomes

1 delinquent immediately if the vehicle is used on a public highway  
2 without the fee having been paid in accordance with this chapter.

3 (b) An [~~A county assessor-collector that determines that~~  
4 ~~an~~] applicant for registration who provides [~~for which payment of~~  
5 ~~the registration fee is delinquent has provided~~] evidence  
6 [~~acceptable to the assessor-collector sufficient~~] to establish  
7 good reason for delinquent registration and who [~~that the~~  
8 ~~application~~] complies with the other requirements for registration  
9 under this chapter may [~~shall~~] register the vehicle for a 12-month  
10 period that ends on the last day of the 11th month after the month in  
11 which the registration occurs under this subsection. [~~The~~  
12 ~~registration period for vehicles registered in accordance with~~  
13 ~~Sections 502.164, 502.167, 502.203, 502.255, 502.267, 502.277,~~  
14 ~~502.278, 502.293, as added by Chapter 1222, Acts of the 75th~~  
15 ~~Legislature, Regular Session, 1997, and 502.295, as added by~~  
16 ~~Chapter 625, Acts of the 75th Legislature, Regular Session, 1997,~~  
17 ~~will end on the annual registration date, and the registration fees~~  
18 ~~will be prorated.~~]

19 (c) An [~~A county assessor-collector that determines that~~  
20 ~~an~~] applicant for registration who [~~that~~] is delinquent and has not  
21 provided evidence acceptable [~~to the assessor-collector~~  
22 ~~sufficient~~] to establish good reason for delinquent registration  
23 but who [~~that the application~~] complies with the other requirements  
24 for registration under this chapter shall register the vehicle for  
25 a 12-month period without changing the initial month of  
26 registration.

27 (d) A person who has been arrested or received a citation

1 for a violation of Section 502.472 [~~502.402~~] may register the  
2 vehicle being operated at the time of the offense [~~with the county~~  
3 ~~assessor-collector~~] for a 12-month period without change to the  
4 initial month of registration only if the person:

5 (1) meets the other requirements for registration  
6 under this chapter; and

7 (2) pays an additional charge equal to 20 percent of  
8 the prescribed fee.

9 (e) The board by rule [~~county assessor-collector~~] shall  
10 adopt a list of evidentiary items sufficient to establish good  
11 reason for delinquent registration under Subsection (b) and provide  
12 for the [~~forms of~~] evidence that may be used to establish good  
13 reason under that subsection. [~~The list of evidentiary items~~  
14 ~~adopted under this section must allow for delinquent registration~~  
15 ~~under Subsection (b) because of:~~

16 [~~(1) extensive repairs on the vehicle;~~

17 [~~(2) the absence of the owner of the vehicle from this~~  
18 ~~country;~~

19 [~~(3) seasonal use of the vehicle; or~~

20 [~~(4) any other reason determined by the~~  
21 ~~assessor-collector to be a valid explanation for the delinquent~~  
22 ~~registration.]~~

23 (f) The board [~~department~~] by rule shall adopt procedures to  
24 implement this section in connection with the delinquent  
25 registration of a vehicle registered directly with the department  
26 or through other means.

27 SECTION 88. Section 502.153, Transportation Code, is



1 transferred to Subchapter B, Chapter 502, Transportation Code,  
2 redesignated as Section 502.046, Transportation Code, and amended  
3 to read as follows:

4       Sec. 502.046 [~~502.153~~]. EVIDENCE           OF           FINANCIAL  
5 RESPONSIBILITY. (a) Evidence [~~Except as provided by Subsection~~  
6 ~~(j), the owner of a motor vehicle, other than a trailer or~~  
7 ~~semitrailer, for which evidence]~~ of financial responsibility as  
8 [~~is~~] required by Section 601.051 other than for a trailer or  
9 semitrailer [~~or a person who represents the owner for purposes of~~  
10 ~~registering a motor vehicle]~~ shall be submitted [~~submit evidence of~~  
11 ~~financial responsibility]~~ with the application for registration  
12 under Section 502.043 [~~502.151~~]. A county assessor-collector may  
13 not register the motor vehicle unless the owner or the owner's  
14 representative submits the evidence of financial responsibility.

15       (b) The county assessor-collector shall examine the  
16 evidence of financial responsibility to determine whether it  
17 complies with Subsection (c). After examination, [~~examining~~] the  
18 evidence [~~, the assessor-collector]~~ shall be returned [~~return the~~  
19 ~~evidence~~] unless it is in the form of a photocopy or an electronic  
20 submission.

21       (c) In this section, evidence of financial responsibility  
22 may be:

23           (1) a document listed under Section 601.053(a) or  
24 verified in compliance with Section 601.452;

25           (2) a liability self-insurance or pool coverage  
26 document issued by a political subdivision or governmental pool  
27 under the authority of Chapter 791, Government Code, Chapter 119,

1 Local Government Code, or other applicable law in at least the  
2 minimum amounts required by Chapter 601;

3 (3) a photocopy of a document described by Subdivision  
4 (1) or (2); or

5 (4) an electronic submission of a document or the  
6 information contained in a document described by Subdivision (1) or  
7 (2).

8 (d) A personal automobile policy used as evidence of  
9 financial responsibility under this section must comply with  
10 Section 1952.052 et seq. and Sections 2301.051 through 2301.055  
11 ~~[Article 5.06 or 5.145]~~, Insurance Code.

12 (e) At the time of registration, the county  
13 assessor-collector shall provide to a person registering a motor  
14 vehicle a ~~[separate]~~ statement that the motor vehicle ~~[being~~  
15 ~~registered]~~ may not be operated in this state unless:

16 (1) liability insurance coverage for the motor vehicle  
17 in at least the minimum amounts required by law remains in effect to  
18 insure against potential losses; or

19 (2) the motor vehicle is exempt from the insurance  
20 requirement because the person has established financial  
21 responsibility in a manner described by Sections ~~[Section]~~  
22 601.051(2)-(5) or is exempt under Section 601.052.

23 (f) A county assessor-collector is not liable to any person  
24 for refusing to register a motor vehicle to which this section  
25 applies because of the person's failure to submit evidence of  
26 financial responsibility that complies with Subsection (c).

27 (g) A county, a county assessor-collector, a deputy county

1 assessor-collector, a person acting for or on behalf of a county or  
2 a county assessor-collector, or a person acting on behalf of an  
3 owner for purposes of registering a motor vehicle is not liable to  
4 any person for registering a motor vehicle under this section.

5 (h) This section does not prevent a person from registering  
6 a motor vehicle by mail or through an electronic submission.

7 (i) To be valid under this section, an electronic submission  
8 must be in a format that is:

9 (1) submitted by electronic means, including a  
10 telephone, facsimile machine, or computer;

11 (2) approved by the department; and

12 (3) authorized by the commissioners court for use in  
13 the county.

14 (j) This section does not apply to a vehicle registered  
15 pursuant to Section 501.0234.

16 SECTION 89. Section 502.009, Transportation Code, is  
17 transferred to Subchapter B, Chapter 502, Transportation Code,  
18 redesignated as Section 502.047, Transportation Code, and amended  
19 to read as follows:

20 Sec. 502.047 [~~502.009~~]. MOTOR VEHICLE EMISSIONS INSPECTION  
21 AND MAINTENANCE REQUIREMENTS. (a) The Department of Public Safety  
22 shall ensure compliance with the motor vehicle emissions inspection  
23 and maintenance program through a vehicle inspection sticker-based  
24 enforcement system except as provided by this section or Section  
25 548.3011. Subsections (b)-(e) apply only if the United States  
26 Environmental Protection Agency determines that the state has not  
27 demonstrated, as required by 40 C.F.R. Section 51.361, that

1 sticker-based enforcement of the program is more effective than  
2 registration-based enforcement and gives the Texas [~~Natural~~  
3 ~~Resource Conservation~~] Commission on Environmental Quality or the  
4 governor written notification that the reregistration-based  
5 enforcement of the program, as described by those subsections, will  
6 be required. If Subsections (b)-(e) are made applicable as  
7 provided by this subsection, the department shall terminate  
8 reregistration-based enforcement of the program under those  
9 subsections on the date the United States Environmental Protection  
10 Agency gives the Texas [~~Natural Resource Conservation~~] Commission  
11 on Environmental Quality or a person the commission designates  
12 written notification that reregistration-based enforcement is not  
13 required for the state implementation plan.

14 (b) A [~~The department may not register a~~] motor vehicle may  
15 not be registered if the department receives from the Texas  
16 [~~Natural Resource Conservation~~] Commission on Environmental  
17 Quality or the Department of Public Safety notification that the  
18 registered owner of the vehicle has not complied with Subchapter F,  
19 Chapter 548.

20 (c) A motor vehicle [~~The county tax assessor-collector~~] may  
21 not be registered if the [~~register a~~] vehicle was denied  
22 registration under Subsection (b) unless [~~the tax~~  
23 ~~assessor-collector has~~] verification is received that the  
24 registered vehicle owner is in compliance with Subchapter F,  
25 Chapter 548.

26 (d) The department, the Texas [~~Natural Resource~~  
27 ~~Conservation~~] Commission on Environmental Quality, and the

1 Department of Public Safety shall enter an agreement regarding the  
2 responsibilities for costs associated with implementing this  
3 section.

4 (e) A county tax assessor-collector is not liable to any  
5 person for refusing to register a motor vehicle because of the  
6 person's failure to provide verification of the person's compliance  
7 with Subchapter F, Chapter 548.

8 SECTION 90. Section 502.005, Transportation Code, is  
9 transferred to Subchapter B, Chapter 502, Transportation Code,  
10 redesignated as Section 502.048, Transportation Code, and amended  
11 to read as follows:

12 Sec. 502.048 [~~502.005~~]. REFUSAL TO REGISTER UNSAFE  
13 VEHICLE. [~~(a)~~] The department may refuse to register a motor  
14 vehicle and may cancel, suspend, or revoke a registration if the  
15 department determines that a motor vehicle is unsafe, improperly  
16 equipped, or otherwise unfit to be operated on a public highway.

17 [~~(b) The department may refuse to register a motorcycle and~~  
18 ~~may suspend or revoke the registration of a motorcycle if the~~  
19 ~~department determines that the motorcycle's braking system does not~~  
20 ~~comply with Section 547.408.~~]

21 SECTION 91. Section 502.055(b), Transportation Code, is  
22 amended to read as follows:

23 (b) The department may require an applicant for  
24 registration under this chapter to provide the department with  
25 evidence of:

26 (1) the manufacturer's rated carrying capacity for the  
27 vehicle; or

1           (2) ~~[the nominal tonnage rating of the vehicle,~~  
2           ~~[(3)]~~ the gross vehicle weight rating ~~[of the vehicle,~~  
3 ~~or~~  
4           ~~[(4) any combination of information described in~~  
5 ~~Subdivisions (1)-(3)].~~

6           SECTION 92. Section 502.178, Transportation Code, is  
7 transferred to Subchapter B, Chapter 502, Transportation Code,  
8 redesignated as Section 502.057, Transportation Code, and amended  
9 to read as follows:

10           Sec. 502.057 ~~[502.178]~~. REGISTRATION RECEIPT. ~~[(a)]~~ The  
11 department shall issue or require to be issued to the owner of a  
12 vehicle registered under this chapter a registration receipt  
13 showing the information required by rule ~~[+~~

14           ~~[(1) the date of issuance,~~  
15           ~~[(2) the license number assigned to the vehicle,~~  
16           ~~[(3) the name and address of the owner, and~~  
17           ~~[(4) other information as determined by the~~  
18 ~~department.~~

19           ~~[(b) The registration receipt issued for a commercial motor~~  
20 ~~vehicle, truck-tractor, trailer, or semitrailer must show the gross~~  
21 ~~weight for which the vehicle is registered].~~

22           SECTION 93. Section 502.179, Transportation Code, is  
23 transferred to Subchapter B, Chapter 502, Transportation Code,  
24 redesignated as Section 502.058, Transportation Code, and amended  
25 to read as follows:

26           Sec. 502.058 ~~[502.179]~~. DUPLICATE REGISTRATION RECEIPT.

27 (a) The owner of a vehicle for which the registration receipt has

1 been lost or destroyed may obtain a duplicate receipt from the  
2 department or the county assessor-collector who issued the original  
3 receipt by paying a fee of \$2.

4 (b) The office issuing a duplicate receipt shall retain the  
5 fee received [~~as a fee of office~~].

6 SECTION 94. Section 502.180, Transportation Code, is  
7 transferred to Subchapter B, Chapter 502, Transportation Code,  
8 redesignated as Section 502.059, Transportation Code, and amended  
9 to read as follows:

10 Sec. 502.059 [~~502.180~~]. ISSUANCE OF [~~LICENSE PLATE OR~~]  
11 REGISTRATION INSIGNIA. (a) On payment of the prescribed fee [~~7~~  
12 ~~the department shall issue to~~] an applicant for motor vehicle  
13 registration shall be issued a [~~license plate or set of plates or a~~  
14 ~~device that, when attached to the vehicle as prescribed by the~~  
15 ~~department, is the~~] registration insignia [~~for the period for which~~  
16 ~~it was issued~~].

17 (b) [~~Subject to Subchapter I, the department shall issue~~  
18 ~~only one license plate or set of plates for a vehicle during a~~  
19 ~~five-year period.~~

20 [~~(c)~~] On application and payment of the prescribed fee for a  
21 renewal of the registration of a vehicle through the period set by  
22 rule [~~for the first, second, third, or fourth registration year~~  
23 ~~after the issuance of a license plate or set of plates for the~~  
24 ~~vehicle~~], the department shall issue a registration insignia for  
25 the validation of the license plate or plates to be attached as  
26 provided by Subsection (c) [~~(d)~~].

27 (c) [~~(d)~~] Except as provided by Subsection (f) [~~(h)~~], the

1 registration insignia for validation of a license plate shall be  
2 attached to the inside of the vehicle's windshield, if the vehicle  
3 has a windshield, within six inches of the place where the motor  
4 vehicle inspection sticker is required to be placed. If the vehicle  
5 does not have a windshield, the owner, when applying for  
6 registration or renewal of registration, shall notify the  
7 department, and the department shall issue a distinctive device for  
8 attachment to the rear license plate of the vehicle.

9 (d) Department [~~(e) The department shall adopt rules for~~  
10 ~~the issuance and use of license plates and registration insignia~~  
11 ~~issued under this chapter. The~~] rules may provide for the use of an  
12 automated registration process, including:

13 (1) the automated on-site production of registration  
14 insignia; and

15 (2) automated on-premises and off-premises  
16 self-service registration.

17 (e) Subsection (c) does [~~(f) Subsections (b)-(d) do~~] not  
18 apply to:

19 (1) the issuance of specialized license plates as  
20 designated by the department, including state official license  
21 plates, exempt plates for governmental entities, and temporary  
22 registration plates; or

23 (2) the issuance or validation of replacement license  
24 plates, except as provided by Chapter 504 [~~Section 502.184~~].

25 (f) [~~(g) The department shall provide a separate and~~  
26 ~~distinctive tab to be affixed to the license plate of an automobile,~~  
27 ~~pickup, or recreational vehicle that is offered for rent, as a~~



1 ~~business, to any part of the public.~~

2       ~~[(h)]~~ The registration insignia ~~[for validation of a~~  
3 ~~license plate]~~ shall be attached to the rear license plate of the  
4 vehicle, if the vehicle is:

5           (1) a motorcycle;

6           (2) machinery used exclusively to drill water wells or  
7 construction machinery for which a distinguishing license plate has  
8 been issued under Section 502.146 ~~[504.504]~~; or

9           (3) oil well servicing, oil clean out, or oil well  
10 drilling machinery or equipment for which a distinguishing license  
11 plate has been issued under Subchapter G, Chapter 623.

12       SECTION 95. Section 502.184, Transportation Code, as  
13 effective September 1, 2011, is transferred to Subchapter B,  
14 Chapter 502, Transportation Code, redesignated as Section 502.060,  
15 Transportation Code, and amended to read as follows:

16       Sec. 502.060 ~~[502.184]~~. REPLACEMENT OF REGISTRATION  
17 INSIGNIA. (a) The owner of a registered motor vehicle may obtain a  
18 replacement registration insignia by:

19           (1) certifying that the replacement registration  
20 insignia will not be used on any other vehicle owned or operated by  
21 the person making the statement;

22           (2) paying a fee of \$6 plus the fees required by  
23 Section 502.356(a) ~~[502.1705(a)]~~ for each replacement registration  
24 insignia, except as provided by other law; and

25           (3) returning each replaced registration insignia in  
26 the owner's possession.

27       (b) No fee is required under this section if the replacement

1 fee for a license plate has been paid under Section 504.007  
2 [~~502.1841~~].

3       (c) [~~The fee for replacement of license plates issued under~~  
4 ~~Section 504.507 is the amount prescribed by the department as~~  
5 ~~necessary to recover the cost of providing the replacement plates.~~

6       [~~(d) If license plates approved under Section 504.501(b) or~~  
7 ~~504.502(c) are lost, stolen, or mutilated, the owner of the vehicle~~  
8 ~~may obtain approval of another set of license plates as provided by~~  
9 ~~Section 504.501 or 504.502, respectively. The fee for approval of~~  
10 ~~replacement license plates is \$5.~~

11       [~~(e)~~] A county assessor-collector may not issue a  
12 replacement registration insignia without complying with this  
13 section.

14       (d) [~~(f)~~] A county assessor-collector shall retain \$2.50 of  
15 each fee collected under this section and shall report and send the  
16 remainder to the department.

17       [~~(g) Replacement license plates may be used in the~~  
18 ~~registration year in which the plates are issued and during each~~  
19 ~~succeeding year of the five-year period as prescribed by Section~~  
20 ~~502.180(b) if the registration insignia is properly attached.~~

21       [~~(h) Subsection (g) does not apply to the issuance of~~  
22 ~~specialized license plates as designated by the department,~~  
23 ~~including state official license plates, exempt plates for~~  
24 ~~governmental entities, and temporary registration plates.~~

25       [~~(i) The owner of a vehicle listed in Section 502.180(h) may~~  
26 ~~obtain replacement plates and a replacement registration insignia~~  
27 ~~by paying a fee of \$5 plus the fees required by Sections 502.170(a)~~

1 ~~and 502.1705(a).~~]

2 SECTION 96. The heading to Subchapter C, Chapter 502,  
3 Transportation Code, is amended to read as follows:

4 SUBCHAPTER C. SPECIAL REGISTRATIONS [~~COUNTY ADMINISTRATION~~]

5 SECTION 97. Section 502.0025, Transportation Code, is  
6 transferred to Subchapter C, Chapter 502, Transportation Code,  
7 redesignated as Section 502.090, Transportation Code, and amended  
8 to read as follows:

9 Sec. 502.090 [~~502.0025~~]. EFFECT OF CERTAIN MILITARY  
10 SERVICE ON REGISTRATION REQUIREMENT. (a) This section applies  
11 only to a motor vehicle that is owned by a person who:

- 12 (1) is a resident of this state;
- 13 (2) is on active duty in the armed forces of the United  
14 States;
- 15 (3) is stationed in or has been assigned to another  
16 nation under military orders; and
- 17 (4) has registered the vehicle or been issued a  
18 license for the vehicle under the applicable status of forces  
19 agreement by:

20 (A) the appropriate branch of the armed forces of  
21 the United States; or

22 (B) the nation in which the person is stationed  
23 or to which the person has been assigned.

24 (b) Unless the registration or license issued for a vehicle  
25 described by Subsection (a) is suspended, canceled, or revoked by  
26 this state as provided by law:

- 27 (1) Section 502.040(a) [~~502.002(a)~~] does not apply;

1 and

2 (2) the registration or license issued by the armed  
3 forces or host nation remains valid and the motor vehicle may be  
4 operated in this state under that registration or license for a  
5 period of not more than 90 days after the date on which the vehicle  
6 returns to this state.

7 SECTION 98. Section 502.054, Transportation Code, is  
8 transferred to Subchapter C, Chapter 502, Transportation Code,  
9 redesignated as Section 502.091, Transportation Code, and amended  
10 to read as follows:

11 Sec. 502.091 [~~502.054~~]. INTERNATIONAL REGISTRATION PLAN  
12 [~~AGREEMENTS WITH OTHER JURISDICTIONS; OFFENSE~~]. (a) The  
13 department, through its director, may enter into an agreement with  
14 an authorized officer of another jurisdiction, including another  
15 state of the United States, a foreign country or a state, province,  
16 territory, or possession of a foreign country, to provide for:

17 (1) the registration of vehicles by residents of this  
18 state and nonresidents on an allocation or mileage apportionment  
19 plan, as under the International Registration Plan; and

20 (2) the exemption from payment of registration fees by  
21 nonresidents if residents of this state are granted reciprocal  
22 exemptions.

23 (b) The department may adopt and enforce rules to carry out  
24 the International Registration Plan or other agreement under this  
25 section.

26 (c) To carry out the International Registration Plan or  
27 other agreement under this section, the department shall direct

1 that fees collected for other jurisdictions under the agreement be  
2 deposited to the credit of the proportional registration  
3 distributive fund in the state treasury and distributed to the  
4 appropriate jurisdiction through that fund. The department is not  
5 required to refund any amount less than \$10 unless required by the  
6 plan.

7 (d) This section prevails to the extent of conflict with  
8 another law relating to the subject of this section.

9 (e) A person commits an offense if the person owns or  
10 operates a vehicle not registered in this state in violation of:

11 (1) an agreement under this section; or

12 (2) the applicable registration laws of this state, in  
13 the absence of an agreement under this section.

14 (f) An offense under Subsection (e) is a misdemeanor  
15 punishable by a fine not to exceed \$200.

16 SECTION 99. Section 502.355, Transportation Code, is  
17 transferred to Subchapter C, Chapter 502, Transportation Code,  
18 redesignated as Section 502.092, Transportation Code, and amended  
19 to read as follows:

20 Sec. 502.092 [~~502.355~~]. NONRESIDENT-OWNED VEHICLES USED  
21 TO TRANSPORT FARM PRODUCTS [~~— OFFENSE~~]. (a) The department may  
22 issue to a nonresident owner a permit for a truck, truck-tractor,  
23 trailer, or semitrailer that:

24 (1) is registered in the owner's home state or country;  
25 and

26 (2) will be used to transport:

27 (A) farm products produced in this state from the

1 place of production to a place of market or storage or a railhead  
2 that is not more than 75 miles from the place of production;

3 (B) machinery used to harvest farm products  
4 produced in this state; or

5 (C) farm products produced outside this state  
6 from the point of entry into this state to a place of market,  
7 storage, or processing or a railhead or seaport that is not more  
8 than 80 miles from the point of entry.

9 (b) The department shall issue a distinguishing insignia  
10 for a vehicle issued a permit under this section. The insignia must  
11 be attached to the vehicle in lieu of regular license plates and  
12 must show the permit expiration date. A permit issued under this  
13 section is valid until the earlier of:

14 (1) the date the vehicle's registration in the owner's  
15 home state or country expires; or

16 (2) the 30th day after the date the permit is issued.

17 (c) A person may obtain a permit under this section by:

18 (1) applying to the department in a manner [~~on a form~~]  
19 prescribed by the department;

20 (2) paying a fee equal to 1/12 the registration fee  
21 prescribed by this chapter for the vehicle;

22 (3) furnishing satisfactory evidence that the motor  
23 vehicle is insured under an insurance policy that complies with  
24 Section 601.072 and that is written by:

25 (A) an insurance company or surety company  
26 authorized to write motor vehicle liability insurance in this  
27 state; or

1 (B) with the department's approval, a surplus  
2 lines insurer that meets the requirements of Chapter 981, Insurance  
3 Code, and rules adopted by the commissioner of insurance under that  
4 chapter, if the applicant is unable to obtain insurance from an  
5 insurer described by Paragraph (A); and

6 (4) furnishing evidence that the vehicle has been  
7 inspected as required under Chapter 548.

8 (d) A nonresident owner may not obtain more than three  
9 permits under this section during a registration year.

10 (e) A vehicle for which a permit is issued under this  
11 section may not be operated in this state after the permit expires  
12 unless the owner:

13 (1) obtains another temporary permit; or

14 (2) registers the vehicle under Section 502.253,  
15 502.254, 502.255 [~~502.162~~, ~~502.165~~, ~~502.166~~], or 502.256  
16 [~~502.167~~], as appropriate, for the remainder of the registration  
17 year.

18 (f) A vehicle for which a permit is issued under this  
19 section may not be registered under Section 502.433 [~~502.163~~].

20 (g) A mileage referred to in this section is a state highway  
21 mileage.

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

24 [~~(1) transports farm products to a place of market,~~  
25 ~~storage, or processing or a railhead or seaport that is farther from~~  
26 ~~the place of production or point of entry, as appropriate, than the~~  
27 ~~distance provided for in the permit; or~~

1           ~~[(2) follows a route other than that prescribed by the~~  
2 ~~board.~~

3           ~~[(i) An offense under Subsection (h) is a misdemeanor~~  
4 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

5           SECTION 100. Section 502.353, Transportation Code, is  
6 transferred to Subchapter C, Chapter 502, Transportation Code,  
7 redesignated as Section 502.093, Transportation Code, and amended  
8 to read as follows:

9           Sec. 502.093 ~~[502.353]~~. ~~[FOREIGN COMMERCIAL VEHICLES,~~  
10 ANNUAL PERMITS ~~[, OFFENSE]~~. (a) The department may issue an annual  
11 permit in lieu of registration to a foreign commercial motor  
12 vehicle, trailer, or semitrailer that [+

13           ~~[(1)]~~ is subject to registration in this state [+ ] and  
14           ~~[(2)]~~ is not authorized to travel on a public highway  
15 because of the lack of registration in this state or the lack of  
16 reciprocity with the state or country in which the vehicle is  
17 registered.

18           (b) A permit issued under this section [+  
19           ~~[(1) is in lieu of registration, and~~  
20           ~~[(2)]~~ is valid for a vehicle registration year to  
21 begin on the first day of a calendar month designated by the  
22 department and end on the last day of the last calendar month of the  
23 registration year.

24           (c) A permit may not be issued under this section for the  
25 importation of citrus fruit into this state from a foreign country  
26 except for foreign export or processing for foreign export.

27           (d) A person may obtain a permit under this section by:



1           (1) applying in the manner prescribed by ~~[to]~~ the  
2 department;

3           (2) paying a fee in the amount required by Subsection  
4 (e) in the manner prescribed by the department, including a service  
5 charge for a credit card payment or escrow account ~~[cash or by~~  
6 ~~postal money order or certified check]~~; and

7           (3) furnishing evidence of financial responsibility  
8 for the motor vehicle that complies with Sections 502.046(c)  
9 ~~[502.153(c)]~~ and 601.168(a), the policies to be written by an  
10 insurance company or surety company authorized to write motor  
11 vehicle liability insurance in this state.

12           (e) The fee for a permit under this section is the fee that  
13 would be required for registering the vehicle under Section 502.253  
14 ~~[502.162]~~ or 502.255 ~~[502.167]~~, except as provided by Subsection  
15 (f).

16           (f) A vehicle registered under this section is exempt from  
17 the token fee and is not required to display the associated  
18 distinguishing license plate if the vehicle:

19           (1) is a semitrailer that has a gross weight of more  
20 than 6,000 pounds; and

21           (2) is used or intended to be used in combination with  
22 a truck tractor or commercial motor vehicle with a gross vehicle  
23 weight ~~[manufacturer's rated carrying capacity]~~ of more than 10,000  
24 pounds ~~[one ton]~~.

25           (g) A vehicle registered under this section is not subject  
26 to the fee required by Section 502.401 ~~[502.172]~~ or 502.403  
27 ~~[502.173]~~.

1           ~~[(h) The department may:~~

2                   ~~[(1) adopt rules to administer this section, and~~

3                   ~~[(2) prescribe an application for a permit and other~~  
4 ~~forms under this section.~~

5           ~~[(i) A person who violates this section commits an offense.~~

6 ~~An offense under this section is a misdemeanor punishable by a fine~~  
7 ~~not to exceed \$200.]~~

8           SECTION 101. Section 502.352, Transportation Code, is  
9 transferred to Subchapter C, Chapter 502, Transportation Code,  
10 redesignated as Section 502.094, Transportation Code, and amended  
11 to read as follows:

12           Sec. 502.094 [~~502.352~~]. 72- OR 144-HOUR PERMITS [~~FOREIGN~~  
13 ~~COMMERCIAL VEHICLES~~]. (a) The department may issue a temporary  
14 registration permit in lieu of registration for a commercial motor  
15 vehicle, trailer, semitrailer, or motor bus that:

16                   (1) is owned by a resident of the United States,  
17 Canada, or the United Mexican States;

18                   (2) is subject to registration in this state; and

19                   (3) is not authorized to travel on a public highway  
20 because of the lack of registration in this state or the lack of  
21 reciprocity with the state or province in which the vehicle is  
22 registered.

23           (b) A permit issued under this section [+

24                   ~~[(1) is in lieu of registration, and~~

25                   ~~[(2)]~~ is valid for the period stated on the permit,  
26 effective from the date and time shown on the receipt issued as  
27 evidence of registration under this section.

1 (c) A person may obtain a permit under this section by:

2 (1) applying to the county assessor-collector, the  
3 department, or the department's wire service agent, if the  
4 department has a wire service agent;

5 (2) paying a fee of \$25 for a 72-hour permit or \$50 for  
6 a 144-hour permit in the manner prescribed by the department that  
7 may include a service charge for a credit card payment or escrow  
8 account[-

9 [(A) ~~in cash,~~

10 [(B) ~~by postal money order,~~

11 [(C) ~~by certified check,~~

12 [(D) ~~by wire transfer through the department's~~  
13 ~~wire service agent, if any,~~

14 [(E) ~~by an escrow account, or~~

15 [(F) ~~where the service is provided, by a credit~~  
16 ~~card issued by:~~

17 [(i) ~~a financial institution chartered by a~~  
18 ~~state or the United States, or~~

19 [(ii) ~~a nationally recognized credit~~  
20 ~~organization approved by the board,~~

21 [(3) ~~paying a discount or service charge for a credit~~  
22 ~~card payment or escrow account, in addition to the fee];~~

23 (3) [(4)] furnishing to the county  
24 assessor-collector, the department, or the department's wire  
25 service agent, evidence of financial responsibility for the vehicle  
26 that complies with Sections 502.046(c) [~~502.153(c)~~] and 601.168(a)  
27 [~~and is written by an insurance company or surety company~~

1 ~~authorized to write motor vehicle liability insurance in this~~  
2 ~~state]; and~~

3           (4) ~~[(5)]~~ submitting a copy of the applicable federal  
4 declaration form required by the Federal Motor Carrier Safety  
5 Administration or its successor in connection with the importation  
6 of a motor vehicle or motor vehicle equipment subject to the federal  
7 motor vehicle safety, bumper, and theft prevention standards.

8           (d) A county assessor-collector shall report and send a fee  
9 collected under this section in the manner provided by Section  
10 502.198 ~~[Sections 502.102 and 502.105]~~. Each week, a wire service  
11 agent shall send to the department a report of all permits issued by  
12 the agent during the previous week. The board ~~[department]~~ by rule  
13 shall prescribe the format ~~[form]~~ and content of a report required  
14 by this subsection.

15           (e) ~~[The department may:~~  
16               ~~[(1) adopt rules to administer this section; and~~  
17               ~~[(2) prescribe an application for a permit and other~~  
18 ~~forms under this section.~~

19           ~~[(f)]~~ A vehicle issued a permit under this section is  
20 subject to Subchapters B and F, Chapter 548, unless the vehicle:

21               (1) is registered in another state of the United  
22 States, in a province of Canada, or in a state of the United Mexican  
23 States; or

24               (2) is mobile drilling or servicing equipment used in  
25 the production of gas, crude petroleum, or oil, including a mobile  
26 crane or hoisting equipment, mobile lift equipment, forklift, or  
27 tug.

1        (f) [~~(g)~~] A commercial motor vehicle, trailer, semitrailer,  
2 or motor bus apprehended for violating a registration law of this  
3 state:

- 4            (1) may not be issued a permit under this section; and  
5            (2) is immediately subject to registration in this  
6 state.

7        (g) [~~(h)~~] A person who operates a commercial motor vehicle,  
8 trailer, or semitrailer with an expired permit issued under this  
9 section is considered to be operating an unregistered vehicle  
10 subject to each penalty prescribed by law.

11        (h) [~~(i)~~] The department may establish one or more escrow  
12 accounts in the state highway fund for the prepayment of a 72-hour  
13 permit or a 144-hour permit. Any fee established by the department  
14 for the administration of this subsection shall be administered as  
15 required by an agreement entered into by the department.

16        SECTION 102. Section 502.354, Transportation Code, is  
17 transferred to Subchapter C, Chapter 502, Transportation Code,  
18 redesignated as Section 502.095, Transportation Code, and amended  
19 to read as follows:

20        Sec. 502.095 [~~502.354~~]. ONE-TRIP [~~SINGLE~~] OR 30-DAY TRIP  
21 PERMITS [~~, OFFENSE~~]. (a) The department may issue a temporary  
22 permit in lieu of registration for a vehicle [~~that~~]

23            [~~(1) is~~] subject to registration in this state that [~~+~~  
24 ~~and~~

25            [~~(2)~~] is not authorized to travel on a public highway  
26 because of the lack of registration in this state or the lack of  
27 reciprocity with the state or country in which the vehicle is

1 registered.

2 (b) A permit issued under this section [~~+~~  
3 ~~[(1) is in lieu of registration, and~~  
4 ~~[(2)]~~] is valid for:

5 (1) [~~(A)~~] one trip, as provided by Subsection (c); or

6 (2) [~~(B)~~] 30 days, as provided by Subsection (d).

7 (c) A one-trip permit is valid for one trip between the  
8 points of origin and destination and those intermediate points  
9 specified in the application and registration receipt. Unless the  
10 vehicle is a bus operating under charter that is not covered by a  
11 reciprocity agreement with the state or country in which the bus is  
12 registered, a one-trip permit is for the transit of the vehicle  
13 only, and the vehicle may not be used for the transportation of any  
14 passenger or property. A one-trip permit may not be valid for  
15 longer than 15 days from the effective date of registration.

16 (d) A 30-day permit may be issued only to a passenger  
17 vehicle, a private bus, a trailer or semitrailer with a gross weight  
18 of not more than 10,000 pounds, a light truck, or a light commercial  
19 vehicle with a gross vehicle weight [~~manufacturer's rated carrying~~  
20 ~~capacity~~] of more than 10,000 pounds [~~one ton~~] that will operate  
21 unladen. A person may obtain multiple 30-day permits. The  
22 department may issue a single registration receipt to apply to all  
23 of the periods for which the vehicle is registered.

24 (e) A person may obtain a permit under this section by:

25 (1) applying as [~~on a form~~] provided by the department  
26 to:

27 (A) the county assessor-collector of the county

1 in which the vehicle will first be operated on a public highway; or

2 (B) the department in Austin or at one of the  
3 department's vehicle title and registration regional offices;

4 (2) paying a fee, in the manner prescribed by the  
5 department including a registration service charge for a credit  
6 card payment or escrow account [~~cash or by postal money order or~~  
7 ~~certified check,~~] of:

8 (A) \$5 for a one-trip permit; or

9 (B) \$25 for each 30-day period; and

10 (3) furnishing evidence of financial responsibility  
11 for the vehicle in a form listed under Section 502.046(c)  
12 [~~502.153(c)~~].

13 (f) A registration receipt [~~and temporary tag~~] shall be  
14 carried in the vehicle at all times during the period in which it is  
15 valid [~~issued on forms provided by the department~~]. The temporary  
16 tag must contain all pertinent information required by this section  
17 and must be displayed in the rear window of the vehicle so that the  
18 tag is clearly visible and legible when viewed from the rear of the  
19 vehicle. If the vehicle does not have a rear window, the temporary  
20 tag must be attached on or carried in the vehicle to allow ready  
21 inspection. The registration receipt must be carried in the  
22 vehicle at all times during the period in which it is valid.

23 (g) The department may refuse and may instruct a county  
24 assessor-collector to refuse to issue a temporary registration for  
25 any vehicle if, in the department's opinion, the vehicle or the  
26 owner of the vehicle has been involved in operations that  
27 constitute an abuse of the privilege granted by this section. A

1 registration issued after notice to a county assessor-collector  
2 under this subsection is void.

3 ~~[(h) A person issued a temporary registration under this~~  
4 ~~section who operates a vehicle in violation of Subsection (f)~~  
5 ~~commits an offense. An offense under this subsection is a Class C~~  
6 ~~misdemeanor.~~

7 ~~[(i) The department may:~~

8 ~~(1) adopt rules to administer this section; and~~

9 ~~(2) prescribe an application for a permit and other~~  
10 ~~forms under this section.]~~

11 SECTION 103. The heading to Subchapter D, Chapter 502,  
12 Transportation Code, is amended to read as follows:

13 SUBCHAPTER D. VEHICLES NOT ISSUED REGISTRATION [~~PROCEDURES AND~~  
14 ~~FEES~~]

15 SECTION 104. Section 502.006, Transportation Code, is  
16 transferred to Subchapter D, Chapter 502, Transportation Code,  
17 redesignated as Section 502.140, Transportation Code, and amended  
18 to read as follows:

19 Sec. 502.140 [~~502.006~~]. CERTAIN OFF-HIGHWAY VEHICLES.

20 (a) Except as provided by Subsection (b), a person may not register  
21 an all-terrain vehicle or a recreational off-highway vehicle, with  
22 or without design alterations, for operation on a public highway.

23 (b) The state, a county, or a municipality may register an  
24 all-terrain vehicle or a recreational off-highway vehicle for  
25 operation on a public beach or highway to maintain public safety and  
26 welfare.

27 (c) A recreational off-highway vehicle registered as



1 provided by Subsection (b) may be operated on a public or private  
2 beach in the same manner as a golf cart may be operated on a public  
3 or private beach under Section 551.403 [~~502.0071~~]. The operator  
4 must hold and have in the operator's possession a driver's license  
5 issued under Chapter 521 or a commercial driver's license issued  
6 under Chapter 522.

7 (d) Section 504.401 [~~502.172~~] does not apply to an  
8 all-terrain vehicle or a recreational off-highway vehicle.

9 (e) Operation of an all-terrain vehicle or recreational  
10 off-highway vehicle in compliance with Section 663.037 does not  
11 require registration under Subsection (b).

12 SECTION 105. Section 502.0072, Transportation Code, is  
13 transferred to Subchapter D, Chapter 502, Transportation Code, and  
14 redesignated as Section 502.142, Transportation Code, to read as  
15 follows:

16 Sec. 502.142 [~~502.0072~~]. MANUFACTURED HOUSING.  
17 Manufactured housing, as defined by Section 1201.003, Occupations  
18 Code, is not a vehicle subject to this chapter.

19 SECTION 106. Section 502.0073, Transportation Code, is  
20 transferred to Subchapter D, Chapter 502, Transportation Code,  
21 redesignated as Section 502.143, Transportation Code, and amended  
22 to read as follows:

23 Sec. 502.143 [~~502.0073~~]. OTHER VEHICLES [~~POWER SWEEPERS~~].

24 [~~(a)~~] An owner may [~~of a power sweeper is~~] not [~~required to~~]  
25 register the following vehicles for operation on a public highway:

- 26 (1) power sweepers;  
27 (2) motorized mobility devices;

1           (3) electric personal assistive mobility devices; and

2           (4) electric bicycles [~~sweeper~~].

3           ~~[(b) In this section, "power sweeper" means an implement,~~  
4 ~~with or without motive power, designed for the removal by broom,~~  
5 ~~vacuum, or regenerative air system of debris, dirt, gravel, litter,~~  
6 ~~or sand from asphaltic concrete or cement concrete surfaces,~~  
7 ~~including surfaces of parking lots, roads, streets, highways, and~~  
8 ~~warehouse floors. The term includes a vehicle on which the~~  
9 ~~implement is permanently mounted if the vehicle is used only as a~~  
10 ~~power sweeper.]~~

11           SECTION 107. Section 502.0078, Transportation Code, is  
12 transferred to Subchapter D, Chapter 502, Transportation Code, and  
13 redesignated as Section 502.144, Transportation Code, to read as  
14 follows:

15           Sec. 502.144 [~~502.0078~~].       VEHICLES OPERATED ON PUBLIC  
16 HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL.  
17 Where a public highway separates real property under the control of  
18 the owner of a motor vehicle, the operation of the motor vehicle by  
19 the owner or the owner's agent or employee across the highway is not  
20 a use of the motor vehicle on the public highway.

21           SECTION 108. Section 502.0079, Transportation Code, is  
22 transferred to Subchapter D, Chapter 502, Transportation Code,  
23 redesignated as Section 502.145, Transportation Code, and amended  
24 to read as follows:

25           Sec. 502.145 [~~502.0079~~].       VEHICLES OPERATED BY CERTAIN  
26 NONRESIDENTS.   (a)   ~~[A nonresident owner of a motor vehicle,~~  
27 ~~trailer, or semitrailer that is registered in the state or country~~

1 ~~in which the person resides may operate the vehicle to transport~~  
2 ~~persons or property for compensation without being registered in~~  
3 ~~this state, if the person does not exceed two trips in a calendar~~  
4 ~~month and each trip does not exceed four days.~~

5 ~~[(b) A nonresident owner of a privately owned vehicle that~~  
6 ~~is not registered in this state may not make more than five~~  
7 ~~occasional trips in any calendar month into this state using the~~  
8 ~~vehicle. Each occasional trip into this state may not exceed five~~  
9 ~~days.~~

10 ~~[(c)]~~ A nonresident owner of a privately owned passenger car  
11 that is registered in the state or country in which the person  
12 resides and that is not operated for compensation may operate the  
13 car in this state for the period in which the car's license plates  
14 are valid. In this subsection, "nonresident" means a resident of a  
15 state or country other than this state whose presence in this state  
16 is as a visitor and who does not engage in gainful employment or  
17 enter into business or an occupation, except as may otherwise be  
18 provided by any reciprocal agreement with another state or country.

19 (b) ~~[(d)]~~ This section does not prevent:

20 (1) a nonresident owner of a motor vehicle from  
21 operating the vehicle in this state for the sole purpose of  
22 marketing farm products raised exclusively by the person; or

23 (2) a resident of an adjoining state or country from  
24 operating in this state a privately owned and registered vehicle to  
25 go to and from the person's place of regular employment and to make  
26 trips to purchase merchandise, if the vehicle is not operated for  
27 compensation.

1        (c) [~~(e)~~] The privileges provided by this section may be  
2 allowed only if, under the laws of the appropriate state or country,  
3 similar privileges are granted to vehicles registered under the  
4 laws of this state and owned by residents of this state.

5        (d) [~~(f)~~] This section does not affect the right or status  
6 of a vehicle owner under any reciprocal agreement between this  
7 state and another state or country.

8        SECTION 109. Section 504.504, Transportation Code, is  
9 transferred to Subchapter D, Chapter 502, Transportation Code,  
10 redesignated as Section 502.146, Transportation Code, and amended  
11 to read as follows:

12        Sec. 502.146 [~~504.504~~]. CERTAIN FARM VEHICLES AND DRILLING  
13 AND CONSTRUCTION EQUIPMENT. (a) The department shall issue  
14 specialty license plates to a vehicle described by Subsection (b)  
15 or (c). The fee for the license plates is \$5.

16        (b) An owner is not required to register a vehicle that is  
17 used only temporarily on the highways if the vehicle is:

18                (1) a farm trailer or farm semitrailer with a gross  
19 weight of more than 4,000 pounds but not more than 34,000 pounds  
20 that is used exclusively to transport:

21                        (A) seasonally harvested agricultural products  
22 or livestock from the place of production to the place of  
23 processing, market, or storage; or

24                        (B) farm supplies from the place of loading to  
25 the farm;

26                (2) machinery used exclusively for the purpose of  
27 drilling water wells; [~~or~~]

1           (3) oil well servicing or drilling machinery and if at  
2 the time of obtaining the license plates, the applicant submits  
3 proof that the applicant has a permit under Section 623.142; or

4           (4) construction machinery [~~that is not designed to~~  
5 ~~transport persons or property on a public highway~~].

6           (c) An owner is not required to register a vehicle that is:

7           (1) a farm trailer or farm semitrailer owned by a  
8 cotton gin and used exclusively to transport agricultural products  
9 without charge from the place of production to the place of  
10 processing, market, or storage;

11           (2) a trailer used exclusively to transport fertilizer  
12 without charge from a place of supply or storage to a farm; or

13           (3) a trailer used exclusively to transport cottonseed  
14 without charge from a place of supply or storage to a farm or place  
15 of processing.

16           (d) A vehicle described by Subsection (b) is exempt from the  
17 inspection requirements of Subchapters B and F, Chapter 548.

18           (e) This section does not apply to a farm trailer or farm  
19 semitrailer that:

20           (1) is used for hire;

21           (2) has metal tires operating in contact with the  
22 highway;

23           (3) is not equipped with an adequate hitch pinned or  
24 locked so that it will remain securely engaged to the towing vehicle  
25 while in motion; or

26           (4) is not operated and equipped in compliance with  
27 all other law.

1 (f) A vehicle to which this section applies that is operated  
2 on a public highway in violation of this section is considered to be  
3 operated while unregistered and is immediately subject to the  
4 applicable registration fees and penalties prescribed by this  
5 chapter [~~Chapter 502~~].

6 (g) In this section, the gross weight of a trailer or  
7 semitrailer is the combined weight of the vehicle and the load  
8 carried on the highway.

9 SECTION 109A. (a) Section 502.161, Transportation Code, is  
10 amended by adding Subsection (a-1) to read as follows:

11 (a-1) For purposes of Subsection (a), a light truck that  
12 weighs 6,000 pounds or less is considered a passenger car.

13 (b) This section takes effect August 31, 2011.

14 SECTION 110. Sections 502.180(b) and (c), Transportation  
15 Code, are amended to read as follows:

16 (b) Subject to Subchapter I, the department shall issue only  
17 one license plate or set of plates for a vehicle during a  
18 [~~five-year~~] period of no less than eight years.

19 (c) On application and payment of the prescribed fee for a  
20 renewal of the registration of a vehicle for each [~~the first,~~  
21 ~~second, third, or fourth~~] registration year after the issuance of a  
22 license plate or set of plates for the vehicle, the department shall  
23 issue a registration insignia for the validation of the license  
24 plate or plates to be attached as provided by Subsection (d).

25 SECTION 111. Section 502.184(g), Transportation Code, is  
26 amended to read as follows:

27 (g) Replacement license plates may be used in the

1 registration year in which the plates are issued and during each  
2 succeeding year of a [~~the five-year~~] period of no less than eight  
3 years as prescribed by Section 502.180(b) if the registration  
4 insignia is properly attached.

5 SECTION 112. The heading to Subchapter E, Chapter 502,  
6 Transportation Code, is amended to read as follows:

7 SUBCHAPTER E. ADMINISTRATION OF FEES [~~SPECIALLY DESIGNATED LICENSE~~  
8 ~~PLATES; EXEMPTIONS FOR GOVERNMENTAL AND QUASI-GOVERNMENTAL~~  
9 ~~VEHICLES~~]

10 SECTION 113. Section 502.159, Transportation Code, is  
11 transferred to Subchapter E, Chapter 502, Transportation Code,  
12 redesignated as Section 502.190, Transportation Code, and amended  
13 to read as follows:

14 Sec. 502.190 [~~502.159~~]. SCHEDULE OF REGISTRATION FEES.  
15 The department shall post [~~compile and furnish to each county~~  
16 ~~assessor-collector~~] a complete schedule of registration fees on the  
17 Internet [~~to be collected on the various makes, models, and types of~~  
18 ~~vehicles~~].

19 SECTION 114. Section 502.004, Transportation Code, is  
20 transferred to Subchapter E, Chapter 502, Transportation Code,  
21 redesignated as Section 502.191, Transportation Code, and amended  
22 to read as follows:

23 Sec. 502.191 [~~502.004~~]. COLLECTION OF FEES. (a) A person  
24 may not collect a registration fee under this chapter unless the  
25 person is:

- 26 (1) an officer or employee of the department; or  
27 (2) a county assessor-collector or a deputy county

1 assessor-collector.

2 (b) The department may accept electronic payment by  
3 electronic funds transfer, credit card, or debit card of any fee  
4 that the department is authorized to collect under this chapter.

5 (c) The department may collect a fee for processing a  
6 payment by electronic funds transfer, credit card, or debit card.  
7 The amount of the fee must not exceed the charges incurred by the  
8 state because of the use of the electronic funds transfer, credit  
9 card, or debit card.

10 (d) For online transactions the department may collect from  
11 a person making payment by electronic funds transfer, credit card,  
12 or debit card an amount equal to the amount of any fee charged in  
13 accordance with Section 2054.2591, Government Code.

14 (e) If, for any reason, the payment of a fee under this  
15 chapter by electronic funds transfer, credit card, or debit card is  
16 not honored by the funding institution or by the electronic funds  
17 transfer, credit card, or debit card company on which the funds are  
18 drawn, the department may collect from the person who owes the fee  
19 being collected a service charge that is for the collection of that  
20 original amount and is in addition to the original fee. The amount  
21 of the service charge must be reasonably related to the expense  
22 incurred by the department in collecting the original amount.

23 SECTION 115. Subchapter E, Chapter 502, Transportation  
24 Code, is amended by adding Section 502.192 to read as follows:

25 Sec. 502.192. TRANSFER FEE. The purchaser of a used motor  
26 vehicle shall pay, in addition to any fee required under Chapter 501  
27 for the transfer of title, a transfer fee of \$2.50 for the transfer



1 of the registration of the motor vehicle. The county  
2 assessor-collector may retain as commission for services provided  
3 under this subchapter half of each transfer fee collected.

4 SECTION 116. Section 502.181, Transportation Code, is  
5 transferred to Subchapter E, Chapter 502, Transportation Code,  
6 redesignated as Section 502.193, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.193 [~~502.181~~]. PAYMENT [~~OF REGISTRATION FEE~~] BY  
9 CHECK DRAWN AGAINST INSUFFICIENT FUNDS. (a) A county  
10 assessor-collector who receives from any person a check or draft  
11 for [~~drawn on a bank or trust company in~~] payment of a registration  
12 fee for a registration year that has not ended [~~on a motor vehicle,~~  
13 ~~trailer, or motorcycle sidecar~~] that is returned unpaid because of  
14 insufficient funds or no funds in the bank or trust company to the  
15 credit of the drawer of the check or draft shall certify the fact to  
16 the sheriff or a constable or highway patrol officer in the county  
17 after attempts to contact the person fail to result in the  
18 collection of payment. The certification must be made before the  
19 30th day after the date the check or draft is returned unpaid and:

- 20 (1) be under the assessor-collector's official seal;  
21 (2) include the name and address of the person who gave  
22 the [~~assessor-collector the~~] check or draft;  
23 (3) include the license plate number and make of the  
24 vehicle;  
25 (4) be accompanied by the check or draft; and  
26 (5) be accompanied by documentation of any attempt to  
27 contact the person and collect payment.

1 (b) On receiving a complaint under Subsection (a) from the  
2 county assessor-collector, the sheriff, constable, or highway  
3 patrol officer shall find the person who gave the  
4 ~~[assessor-collector the]~~ check or draft, if the person is in the  
5 county, and demand immediate redemption of the check or draft from  
6 the person. If the person fails or refuses to redeem the check or  
7 draft, the sheriff, constable, or highway patrol officer shall:

8 (1) seize and remove the license plates and  
9 registration insignia from the vehicle; and

10 (2) return the license plates and registration  
11 insignia to the county assessor-collector.

12 SECTION 117. Section 502.182, Transportation Code, is  
13 transferred to Subchapter E, Chapter 502, Transportation Code,  
14 redesignated as Section 502.194, Transportation Code, and amended  
15 to read as follows:

16 Sec. 502.194 ~~[502.182]~~. CREDIT FOR REGISTRATION FEE PAID ON  
17 MOTOR VEHICLE SUBSEQUENTLY DESTROYED. (a) The owner of a motor  
18 vehicle that is destroyed to the extent that it cannot afterwards be  
19 operated on a public highway is entitled to a registration fee  
20 credit if the prorated portion of the registration fee for the  
21 remainder of the registration year is more than \$15. The owner must  
22 claim the credit by [+

23 ~~[(1)]~~ sending the registration fee receipt ~~[and the~~  
24 ~~license plates]~~ for the vehicle to the department ~~[, and~~

25 ~~[(2)]~~ ~~executing a statement on a form provided by the~~  
26 ~~department showing that the license plates have been surrendered to~~  
27 ~~the department].~~

1 (b) The department, on satisfactory proof that the vehicle  
2 is destroyed, shall issue a registration fee credit slip to the  
3 owner in an amount equal to the prorated portion of the registration  
4 fee for the remainder of the registration year. The owner, during  
5 the same or the next registration year, may use the registration fee  
6 credit slip as payment or part payment for the registration of  
7 another vehicle to the extent of the credit.

8 ~~[(c) A statement executed under Subsection (a)(2) shall be  
9 delivered to a purchaser of the destroyed vehicle. The purchaser  
10 may surrender the statement to the department in lieu of the vehicle  
11 license plates.]~~

12 ~~[(d) The department shall adopt rules to administer this  
13 section.]~~

14 SECTION 118. Section 502.183, Transportation Code, is  
15 transferred to Subchapter E, Chapter 502, Transportation Code,  
16 redesignated as Section 502.195, Transportation Code, and amended  
17 to read as follows:

18 Sec. 502.195 ~~[502.183]~~. REFUND OF OVERCHARGED  
19 REGISTRATION FEE. (a) The owner of a motor vehicle ~~[that is  
20 required to be registered]~~ who pays an annual registration fee in  
21 excess of the statutory amount is entitled to a refund of the  
22 overcharge.

23 (b) The county assessor-collector who collects the  
24 excessive fee shall refund an overcharge on presentation to the  
25 assessor-collector of satisfactory evidence of the overcharge~~[-  
26 The owner must make a claim for a refund of an overcharge]~~ not later  
27 than the first ~~[fifth]~~ anniversary of the date the excessive

1 registration fee was paid.

2 (c) A refund shall be paid from the fund in which the  
3 county's share of registration fees is deposited.

4 SECTION 119. Section 502.051, Transportation Code, is  
5 transferred to Subchapter E, Chapter 502, Transportation Code, and  
6 redesignated as Section 502.196, Transportation Code, to read as  
7 follows:

8 Sec. 502.196 [~~502.051~~]. DEPOSIT OF REGISTRATION FEES IN  
9 STATE HIGHWAY FUND. Except as otherwise provided by this chapter,  
10 the board and the department shall deposit all money received from  
11 registration fees in the state treasury to the credit of the state  
12 highway fund.

13 SECTION 120. Section 502.101, Transportation Code, is  
14 transferred to Subchapter E, Chapter 502, Transportation Code, and  
15 redesignated as Section 502.197, Transportation Code, to read as  
16 follows:

17 Sec. 502.197 [~~502.101~~]. REGISTRATION BY MAIL OR ELECTRONIC  
18 MEANS; SERVICE CHARGE. (a) A county assessor-collector may  
19 collect a service charge of \$1 from each applicant registering a  
20 vehicle by mail. The service charge shall be used to pay the costs  
21 of handling and postage to mail the registration receipt and  
22 insignia to the applicant.

23 (b) With the approval of the commissioners court of a  
24 county, a county assessor-collector may contract with a private  
25 entity to enable an applicant for registration to use an electronic  
26 off-premises location. A private entity may charge an applicant  
27 not more than \$1 for the service provided.

1 (c) The department may adopt rules to cover the timely  
2 application for and issuance of registration receipts and insignia  
3 by mail or through an electronic off-premises location.

4 SECTION 121. Section 502.102, Transportation Code, is  
5 transferred to Subchapter E, Chapter 502, Transportation Code,  
6 redesignated as Section 502.198, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.198 [~~502.102~~]. DISPOSITION OF FEES GENERALLY.

9 (a) Except as provided by Sections 502.1982 [~~502.103~~] and 502.357  
10 [~~502.104~~], this section applies to all fees collected by a county  
11 assessor-collector under this chapter.

12 (b) Each Monday, a county assessor-collector shall credit  
13 to the county road and bridge fund an amount equal to the net  
14 collections made during the preceding week until the amount so  
15 credited for the calendar year equals the total of:

16 (1) \$60,000;

17 (2) \$350 for each mile of county road maintained by the  
18 county, according to the most recent information available from the  
19 department, not to exceed 500 miles; and

20 (3) an additional amount of fees equal to the amount  
21 calculated under Section 502.1981 [~~502.1025~~].

22 (c) After the credits to the county road and bridge fund  
23 equal the total computed under Subsection (b), each Monday the  
24 county assessor-collector shall:

25 (1) credit to the county road and bridge fund an amount  
26 equal to 50 percent of the net collections made during the preceding  
27 week, until the amount so credited for the calendar year equals

1 \$125,000; and

2 (2) send to the department an amount equal to 50  
3 percent of those collections.

4 (d) After the credits to the county road and bridge fund  
5 equal the total amounts computed under Subsections (b) and (c)(1),  
6 each Monday the county assessor-collector shall send to the  
7 department all collections made during the preceding week.

8 ~~[(e) Each Monday the county assessor-collector shall send  
9 to the department a copy of each receipt issued the previous week  
10 for a registration fee under this chapter.]~~

11 SECTION 122. Section 502.1025, Transportation Code, is  
12 transferred to Subchapter E, Chapter 502, Transportation Code,  
13 redesignated as Section 502.1981, Transportation Code, and amended  
14 to read as follows:

15 Sec. 502.1981 ~~[502.1025]~~. CALCULATION OF ADDITIONAL FEE  
16 AMOUNTS RETAINED BY A COUNTY. (a) The county tax  
17 assessor-collector each calendar year shall calculate five percent  
18 of the tax and penalties collected by the county tax  
19 assessor-collector under Chapter 152, Tax Code, in the preceding  
20 calendar year. In addition, the county tax assessor-collector  
21 shall calculate each calendar year an amount equal to five percent  
22 of the tax and penalties that the comptroller:

23 (1) collected under Section 152.047, Tax Code, in the  
24 preceding calendar year; and

25 (2) determines are attributable to sales in the  
26 county.

27 (b) A county tax assessor-collector shall retain under

1 Section 502.198(b) [~~502.102(b)~~] fees based on the following  
2 percentage of the amounts calculated under Subsection [~~subsection~~]

3 (a) during each of the following fiscal years:

- 4 (1) [~~in fiscal year 2006, 90 percent,~~  
5 [~~(2) in fiscal year 2007, 80 percent,~~  
6 [~~(3) in fiscal year 2008, 70 percent,~~  
7 [~~(4) in fiscal year 2009, 60 percent,~~  
8 [~~(5) in fiscal year 2010, 50 percent,~~  
9 [~~(6) in fiscal year 2011, 40 percent,~~  
10 [~~(7)~~] in fiscal year 2012, 30 percent;  
11 (2) [~~(8)~~] in fiscal year 2013, 20 percent;  
12 (3) [~~(9)~~] in fiscal year 2014, 10 percent;  
13 (4) [~~(10)~~] in fiscal year 2015 and succeeding years, 0  
14 percent.

15 (c) The county shall credit the amounts retained under  
16 Subsection (b) to the county road and bridge fund. Money credited  
17 to the fund under this section may only be used for:

- 18 (1) county road construction, maintenance, and  
19 repair;  
20 (2) bridge construction, maintenance, and repair;  
21 (3) the purchase of right-of-way for road or highway  
22 purposes; or  
23 (4) the relocation of utilities for road or highway  
24 purposes.

25 SECTION 123. Section 502.103, Transportation Code, is  
26 transferred to Subchapter E, Chapter 502, Transportation Code,  
27 redesignated as Section 502.1982, Transportation Code, and amended

1 to read as follows:

2           Sec. 502.1982 [~~502.103~~]. DISPOSITION OF OPTIONAL COUNTY  
3 ROAD AND BRIDGE FEE. Each Monday a county assessor-collector shall  
4 apportion the collections for the preceding week for a fee imposed  
5 under Section 502.401 [~~502.172~~] by:

6           (1) crediting an amount equal to 97 percent of the  
7 collections to the county road and bridge fund; and

8           (2) sending to the department an amount equal to three  
9 percent of the collections to defray the department's costs of  
10 administering Section 502.401 [~~502.172~~].

11           SECTION 124. Section 502.106, Transportation Code, is  
12 transferred to Subchapter E, Chapter 502, Transportation Code,  
13 redesignated as Section 502.1983, Transportation Code, and amended  
14 to read as follows:

15           Sec. 502.1983 [~~502.106~~]. DEPOSIT OF FEES IN  
16 INTEREST-BEARING ACCOUNT. (a) Except as provided by Sections  
17 502.1982 [~~502.103~~] and 502.357 [~~502.104~~], a county  
18 assessor-collector may:

19           (1) deposit the fees in an interest-bearing account or  
20 certificate in the county depository; and

21           (2) send the fees to the department not later than the  
22 34th day after the date the fees are due under Section 502.357  
23 [~~502.104~~].

24           (b) The county owns all interest earned on fees deposited  
25 under this section. The county treasurer shall credit the interest  
26 to the county general fund.

27           SECTION 125. Section 502.107, Transportation Code, is



1 transferred to Subchapter E, Chapter 502, Transportation Code, and  
2 redesignated as Section 502.1984, Transportation Code, to read as  
3 follows:

4       Sec. 502.1984 [~~502.107~~]. INTEREST ON FEES. (a) A fee  
5 required to be sent to the department under this chapter bears  
6 interest for the benefit of the state highway fund at an annual rate  
7 of 10 percent beginning on the 60th day after the date the county  
8 assessor-collector collects the fee.

9       (b) The department shall audit the registration and  
10 transfer fees collected and disbursed by each county  
11 assessor-collector and shall determine the exact amount of interest  
12 due on any fee not sent to the department.

13       (c) The state has a claim against a county  
14 assessor-collector and the sureties on the assessor-collector's  
15 official bond for the amount of interest due on a fee.

16       SECTION 126. Section 502.108, Transportation Code, is  
17 transferred to Subchapter E, Chapter 502, Transportation Code,  
18 redesignated as Section 502.1985, Transportation Code, and amended  
19 to read as follows:

20       Sec. 502.1985 [~~502.108~~]. USE OF REGISTRATION FEES RETAINED  
21 BY COUNTY. (a) Money credited to the county road and bridge fund  
22 under Section 502.198 [~~502.102~~] or 502.1982 [~~502.103~~] may not be  
23 used to pay the compensation of the county judge or a county  
24 commissioner. The money may be used only for the construction and  
25 maintenance of lateral roads in the county, under the supervision  
26 of the county engineer.

27       (b) If there is not a county engineer, the commissioners

1 court of the county may require the services of the department's  
2 district engineer or resident engineer to supervise the  
3 construction and surveying of lateral roads in the county.

4 (c) A county may use money allocated to it under this  
5 chapter to:

6 (1) pay obligations issued in the construction or  
7 improvement of any roads, including state highways in the county;

8 (2) improve the roads in the county road system; or

9 (3) construct new roads.

10 (d) To the maximum extent possible, contracts for roads  
11 constructed by a county using funds provided under this chapter  
12 should be awarded by competitive bids.

13 SECTION 127. Section 502.110, Transportation Code, is  
14 transferred to Subchapter E, Chapter 502, Transportation Code, and  
15 redesignated as Section 502.1986, Transportation Code, to read as  
16 follows:

17 Sec. 502.1986 [~~502.110~~]. CONTINGENT PROVISION FOR  
18 DISTRIBUTION OF FEES BETWEEN STATE AND COUNTIES. If the method of  
19 distributing vehicle registration fees collected under this  
20 chapter between the state and counties is declared invalid because  
21 of inequality of collection or distribution of those fees, 60  
22 percent of each fee shall be distributed to the county collecting  
23 the fee and 40 percent shall be sent to the state in the manner  
24 provided by this chapter.

25 SECTION 128. The heading to Subchapter F, Chapter 502,  
26 Transportation Code, is amended to read as follows:

27 SUBCHAPTER F. REGULAR REGISTRATION FEES [~~SPECIALIZED LICENSE~~]

~~PLATES; EXEMPTIONS FOR PRIVATELY OWNED VEHICLES]~~

SECTION 129. Section 502.160, Transportation Code, as effective September 1, 2011, is transferred to Subchapter F, Chapter 502, Transportation Code, and redesignated as Section 502.251, Transportation Code, to read as follows:

Sec. 502.251 [~~502.160~~]. FEE: MOTORCYCLE OR MOPED. The fee for a registration year for registration of a motorcycle or moped is \$30.

SECTION 130. Section 502.162, Transportation Code, as effective September 1, 2011, is transferred to Subchapter F, Chapter 502, Transportation Code, redesignated as Section 502.253, Transportation Code, and amended to read as follows:

Sec. 502.253 [~~502.162~~]. FEE: VEHICLES THAT WEIGH MORE THAN 6,000 POUNDS. [~~(a)~~] The fee for a registration year for registration of a vehicle with a gross weight of more than 6,000 pounds is as follows unless otherwise provided in this chapter:

Weight Classification	Fee Schedule
in pounds	
6,001-10,000	\$54.00
10,001-18,000	\$110.00
18,001-25,999	\$205.00
26,000-40,000	\$340.00
40,001-54,999	\$535.00
55,000-70,000	\$740.00
70,001-80,000	\$840.00

~~[(b) The gross weight of a vehicle is the actual weight of the vehicle, fully equipped with a body and other equipment, as~~

1 ~~certified by a public weigher or a license and weight inspector of~~  
2 ~~the Department of Public Safety, plus its net carrying capacity.~~

3 ~~[(c) The net carrying capacity of a vehicle other than a bus~~  
4 ~~is the heaviest net load to be carried on the vehicle, but not less~~  
5 ~~than the manufacturer's rated carrying capacity.~~

6 ~~[(d) The net carrying capacity of a bus is computed by~~  
7 ~~multiplying its seating capacity by 150 pounds. The seating~~  
8 ~~capacity of a bus is:~~

9 ~~[(1) the manufacturer's rated seating capacity,~~  
10 ~~excluding the operator's seat; or~~

11 ~~[(2) if the manufacturer has not rated the vehicle for~~  
12 ~~seating capacity, a number computed by allowing one passenger for~~  
13 ~~each 16 inches of seating on the bus, excluding the operator's~~  
14 ~~seat.]~~

15 SECTION 131. Section 502.166, Transportation Code, as  
16 effective September 1, 2011, is transferred to Subchapter F,  
17 Chapter 502, Transportation Code, redesignated as Section 502.254,  
18 Transportation Code, and amended to read as follows:

19 Sec. 502.254 [~~502.166~~]. FEE: TRAILER, TRAVEL TRAILER, OR  
20 SEMITRAILER. (a) The fee for a registration year for registration  
21 of a trailer, travel trailer, or semitrailer with a gross weight of  
22 6,000 pounds or less is \$45.00.

23 (b) [~~(a-1)~~] The fee for a registration year for  
24 registration of a trailer, travel trailer, or semitrailer with a  
25 gross weight of more than 6,000 pounds is calculated by gross weight  
26 according to Section 502.253 [~~502.162~~].

27 [~~(b) The gross weight of a trailer or semitrailer is the~~

1 ~~actual weight of the vehicle, as certified by a public weigher or a~~  
2 ~~license and weight inspector of the Department of Public Safety,~~  
3 ~~plus its net carrying capacity.~~

4 ~~[(c) The net carrying capacity of a vehicle is the heaviest~~  
5 ~~net load to be carried on the vehicle, but not less than the~~  
6 ~~manufacturer's rated carrying capacity.~~

7 ~~[(d) The department may issue specially designed license~~  
8 ~~plates for rental trailers and travel trailers that include, as~~  
9 ~~appropriate, the words "rental trailer" or "travel trailer."~~

10 ~~[(e) In this section:~~

11 ~~[(1) "Rental fleet" means five or more vehicles that~~  
12 ~~are:~~

13 ~~[(A) owned by the same owner,~~

14 ~~[(B) offered for rent or rented without drivers,~~

15 ~~and~~

16 ~~[(C) designated by the owner in the manner~~  
17 ~~prescribed by the department as a rental fleet.~~

18 ~~[(2) "Rental trailer" means a utility trailer that:~~

19 ~~[(A) has a gross weight of 4,000 pounds or less,~~

20 ~~and~~

21 ~~[(B) is part of a rental fleet.~~

22 ~~[(3) "Travel trailer" means a house trailer-type~~  
23 ~~vehicle or a camper trailer that is:~~

24 ~~[(A) less than eight feet in width or 40 feet in~~  
25 ~~length, exclusive of any hitch installed on the vehicle, and~~

26 ~~[(B) designed primarily for use as temporary~~  
27 ~~living quarters in connection with recreational, camping, travel,~~

1 ~~or seasonal use and not as a permanent dwelling, provided that~~  
2 ~~"travel trailer" shall not include a utility trailer, enclosed~~  
3 ~~trailer, or other trailer not having human habitation as its~~  
4 ~~primary purpose.]~~

5 SECTION 132. Section 502.167, Transportation Code, as  
6 effective September 1, 2011, is transferred to Subchapter F,  
7 Chapter 502, Transportation Code, redesignated as Section 502.255,  
8 Transportation Code, and amended to read as follows:

9 Sec. 502.255 [~~502.167~~]. TRUCK-TRACTOR OR COMMERCIAL MOTOR  
10 VEHICLE COMBINATION FEE; SEMITRAILER TOKEN FEE. (a) This section  
11 applies only to a truck-tractor or commercial motor vehicle with a  
12 gross weight of more than 10,000 pounds that is used or is to be used  
13 in combination with a semitrailer that has a gross weight of more  
14 than 6,000 pounds.

15 (b) The fee for a registration year for registration of a  
16 truck-tractor or commercial motor vehicle is calculated by gross  
17 weight according to Section 502.253 [~~502.162~~].

18 (c) The fee for a registration year for registration of a  
19 semitrailer used in the manner described by Subsection (a),  
20 regardless of the date the semitrailer is registered, is:

21 (1) \$30, for a semitrailer being propelled by a power  
22 unit for which a permit under Section 623.011 has been issued; or

23 (2) \$15, for a semitrailer being propelled by a power  
24 unit for which a permit under Section 623.011 has not been issued.

25 (d) A registration made under Subsection (c) is valid only  
26 when the semitrailer is used in the manner described by Subsection  
27 (a).

1 (e) For registration purposes, a semitrailer converted to a  
2 trailer by means of an auxiliary axle assembly retains its status as  
3 a semitrailer.

4 (f) A combination of vehicles may not be registered under  
5 this section for a combined gross weight of less than 18,000 pounds.

6 (g) This section does not apply to:

7 (1) a combination of vehicles that includes a vehicle  
8 that has a distinguishing license plate under Section 502.146  
9 [~~504.504~~];

10 (2) a truck-tractor or commercial motor vehicle  
11 registered or to be registered with \$5 distinguishing license  
12 plates for which the vehicle is eligible under this chapter;

13 (3) a truck-tractor or commercial motor vehicle used  
14 exclusively in combination with a semitrailer of the travel trailer  
15 [~~housetrailer~~] type; or

16 (4) a vehicle registered or to be registered:

17 (A) with a temporary registration permit;

18 (B) under Section 502.433 [~~502.163~~]; or

19 (C) under Section 502.435 [~~502.188~~].

20 (h) The department may adopt rules to administer this  
21 section.

22 (i) The department may issue specially designed license  
23 plates for token trailers.

24 (j) A person may register a semitrailer under this section  
25 [~~for a registration period of five consecutive years~~] if the  
26 person:

27 (1) applies to the department for [~~the five-year~~]

1 registration;

2 (2) provides proof of the person's eligibility to  
3 register the vehicle under this subsection as required by the  
4 department; and

5 (3) pays a fee of \$15, plus any applicable fee under  
6 Section 502.401 [~~502.172~~], for each year included in the  
7 registration period.

8 [~~(k) If during the five-year registration period for a~~  
9 ~~vehicle registered under Subsection (j) the amount of a fee imposed~~  
10 ~~under that subsection is increased, the owner of the vehicle is~~  
11 ~~liable to the department for the amount of the increase. If the~~  
12 ~~amount of a fee is decreased, the owner of the vehicle is not~~  
13 ~~entitled to a refund.~~

14 [~~(l) In this section:~~

15 [~~(1) "Combined gross weight" means the empty weight of~~  
16 ~~the truck-tractor or commercial motor vehicle combined with the~~  
17 ~~empty weight of the heaviest semitrailer used or to be used in~~  
18 ~~combination with the truck-tractor or commercial motor vehicle plus~~  
19 ~~the heaviest net load to be carried on the combination during the~~  
20 ~~registration year.~~

21 [~~(2) "Empty weight" means the unladen weight of the~~  
22 ~~truck-tractor or commercial motor vehicle and semitrailer~~  
23 ~~combination fully equipped, as certified by a public weigher or~~  
24 ~~license and weight inspector of the Department of Public Safety.~~

25 [~~(3) "Token trailer" means a semitrailer that:~~

26 [~~(A) has a gross weight of more than 6,000~~  
27 ~~pounds; and~~



1                   ~~[(B) is operated in combination with a truck or a~~  
2 ~~truck-tractor that has been issued:~~

3                   ~~[(i) an apportioned license plate,~~

4                   ~~[(ii) a combination license plate, or~~

5                   ~~[(iii) a forestry vehicle license plate.~~

6                   ~~[(4) "Apportioned license plate" means a license plate~~  
7 ~~issued in lieu of truck license plates or combination license~~  
8 ~~plates to a motor carrier in this state who proportionally~~  
9 ~~registers a vehicle owned by the carrier in one or more other~~  
10 ~~states.~~

11                   ~~[(5) "Combination license plate" means a license plate~~  
12 ~~issued for a truck or truck-tractor that:~~

13                   ~~[(A) has a manufacturer's rated carrying~~  
14 ~~capacity of more than one ton, and~~

15                   ~~[(B) is used or intended to be used in~~  
16 ~~combination with a semitrailer that has a gross weight of more than~~  
17 ~~6,000 pounds.]~~

18                   SECTION 133. Section 502.165, Transportation Code, as  
19 effective September 1, 2011, is transferred to Subchapter F,  
20 Chapter 502, Transportation Code, redesignated as Section 502.256,  
21 Transportation Code, and amended to read as follows:

22                   Sec. 502.256 [~~502.165~~]. FEE: ROAD TRACTOR. The fee for a  
23 registration year for registration of a road tractor is the fee  
24 prescribed by weight as certified by a public weigher or a license  
25 and weight inspector of the Department of Public Safety under  
26 Section 502.252 [~~502.161~~] or 502.253 [~~502.162~~], as applicable.

27                   SECTION 134. The heading to Subchapter G, Chapter 502,

1 Transportation Code, is amended to read as follows:

2 SUBCHAPTER G. ADDITIONAL FEES [~~TEMPORARY REGISTRATION~~]

3 SECTION 135. Section 502.1705, Transportation Code, as  
4 effective September 1, 2011, is transferred to Subchapter G,  
5 Chapter 502, Transportation Code, redesignated as Section 502.356,  
6 Transportation Code, and amended to read as follows:

7 Sec. 502.356 [~~502.1705~~]. [~~ADDITIONAL FEE FOR~~] AUTOMATED  
8 REGISTRATION AND TITLING [~~TITLE~~] SYSTEM. (a) In addition to other  
9 registration fees for a license plate or set of license plates or  
10 other device used as the registration insignia, a fee of \$1 shall be  
11 collected.

12 (b) The department may use money collected under this  
13 section to provide for or enhance:

14 (1) automated on-premises and off-premises  
15 registration; and

16 (2) services related to the titling of vehicles.

17 SECTION 136. Section 502.1715, Transportation Code, as  
18 amended by Chapters 892 (S.B. 1670) and 1108 (H.B. 2337), Acts of  
19 the 79th Legislature, Regular Session, 2005, is transferred to  
20 Subchapter G, Chapter 502, Transportation Code, redesignated as  
21 Section 502.357, Transportation Code, and reenacted and amended to  
22 read as follows:

23 Sec. 502.357 [~~502.1715~~]. FINANCIAL RESPONSIBILITY

24 [~~ADDITIONAL FEE FOR CERTAIN DEPARTMENT~~] PROGRAMS. (a) In  
25 addition to other fees imposed for registration of a motor vehicle,  
26 at the time of application for registration or renewal of  
27 registration of a motor vehicle for which the owner is required to

1 submit evidence of financial responsibility under Section 502.046  
2 [~~502.153~~], the applicant shall pay a fee of \$1. In addition to other  
3 fees imposed for registration of a motor vehicle, at the time of  
4 application for registration of a motor vehicle that is subject to  
5 Section 501.0234, the applicant shall pay a fee of \$1. Fees  
6 collected under this section shall be remitted weekly to the  
7 department.

8 (b) Fees collected under this section shall be deposited to  
9 the credit of the state highway fund. Subject to appropriations,  
10 the money shall be used by the Department of Public Safety to:

11 (1) support the Department of Public Safety's  
12 reengineering of the driver's license system to provide for the  
13 issuance by the Department of Public Safety of a driver's license or  
14 personal identification certificate, to include use of image  
15 comparison technology;

16 (2) establish and maintain a system to support the  
17 driver responsibility program under Chapter 708; and

18 (3) make lease payments to the master lease purchase  
19 program for the financing of the driver's license reengineering  
20 project.

21 (c) Fees collected under this section shall be deposited to  
22 the credit of the state highway fund. Subject to appropriation, the  
23 money may be used by the Department of Public Safety, the Texas  
24 Department of Insurance, the Department of Information Resources,  
25 and the department to carry out Subchapter N, Chapter 601.

26 (d) The Department of Public Safety, the Texas Department of  
27 Insurance, the Department of Information Resources, and the

1 department shall jointly adopt rules and develop forms necessary to  
2 administer this section.

3 SECTION 137. Section 502.1675, Transportation Code, is  
4 transferred to Subchapter G, Chapter 502, Transportation Code,  
5 redesignated as Section 502.358, Transportation Code, and amended  
6 to read as follows:

7 Sec. 502.358 [~~502.1675~~]. TEXAS EMISSIONS REDUCTION PLAN  
8 SURCHARGE. (a) In addition to the registration fees charged under  
9 Section 502.255 [~~502.167~~], a surcharge is imposed on the  
10 registration of a truck-tractor or commercial motor vehicle under  
11 that section in an amount equal to 10 percent of the total fees due  
12 for the registration of the truck-tractor or commercial motor  
13 vehicle under that section.

14 (b) The county tax assessor-collector shall remit the  
15 surcharge collected under this section to the comptroller at the  
16 time and in the manner prescribed by the comptroller for deposit in  
17 the Texas emissions reduction plan fund.

18 (c) This section expires August 31, 2019.

19 SECTION 138. Section 502.171, Transportation Code, is  
20 transferred to Subchapter G, Chapter 502, Transportation Code,  
21 redesignated as Section 502.359, Transportation Code, and amended  
22 to read as follows:

23 Sec. 502.359 [~~502.171~~]. ADDITIONAL FEE FOR CERTAIN  
24 VEHICLES USING DIESEL MOTOR. (a) The registration fee under this  
25 chapter for a motor vehicle other than a passenger car, a truck with  
26 a gross vehicle weight [~~manufacturer's rated carrying capacity~~] of  
27 18,000 pounds [~~two tons~~] or less, or a vehicle registered in

1 combination under Section 502.255 [~~502.167~~] is increased by 11  
2 percent if the vehicle has a diesel motor.

3 (b) The [~~A county assessor-collector shall show on the~~]  
4 registration receipt for a motor vehicle, other than a passenger  
5 car or a truck with a gross vehicle weight [~~manufacturer's rated~~  
6 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less, must show  
7 that the vehicle has a diesel motor.

8 (c) The department may adopt rules to administer this  
9 section.

10 SECTION 139. The heading to Subchapter H, Chapter 502,  
11 Transportation Code, is amended to read as follows:

12 SUBCHAPTER H. OPTIONAL FEES [~~OFFENSES AND PENALTIES~~]

13 SECTION 140. Section 502.172, Transportation Code, is  
14 transferred to Subchapter H, Chapter 502, Transportation Code,  
15 redesignated as Section 502.401, Transportation Code, and amended  
16 to read as follows:

17 Sec. 502.401 [~~502.172~~]. OPTIONAL COUNTY FEE FOR ROAD AND  
18 BRIDGE FUND. (a) The commissioners court of a county by order may  
19 impose an additional fee, not to exceed \$10, for registering a  
20 vehicle in the county.

21 (b) A vehicle that may be registered under this chapter  
22 without payment of a registration fee may be registered in a county  
23 imposing a fee under this section without payment of the additional  
24 fee.

25 (c) A fee imposed under this section may take effect only on  
26 January 1 of a year. The county must adopt the order and notify the  
27 department not later than September 1 of the year preceding the year

1 in which the fee takes effect.

2 (d) A fee imposed under this section may be removed. The  
3 removal may take effect only on January 1 of a year. A county may  
4 remove the fee only by:

5 (1) rescinding the order imposing the fee; and

6 (2) notifying the department not later than September  
7 1 of the year preceding the year in which the removal takes effect.

8 (e) The county assessor-collector of a county imposing a fee  
9 under this section shall collect the additional fee for a vehicle  
10 when other fees imposed under this chapter are collected.

11 (f) The department shall collect the additional fee on a  
12 vehicle that is owned by a resident of a county imposing a fee under  
13 this section [~~and~~] that [~~, under this chapter,~~] must be registered  
14 directly with the department. The department shall send all fees  
15 collected for a county under this subsection to the county  
16 treasurer to be credited to the county road and bridge fund.

17 (g) The department shall adopt rules [~~and develop forms~~]  
18 necessary to administer registration [~~by mail~~] for a vehicle being  
19 registered in a county imposing a fee under this section.

20 SECTION 141. Section 502.1725, Transportation Code, is  
21 transferred to Subchapter H, Chapter 502, Transportation Code,  
22 redesignated as Section 502.402, Transportation Code, and amended  
23 to read as follows:

24 Sec. 502.402 [~~502.1725~~]. OPTIONAL COUNTY FEE FOR  
25 TRANSPORTATION PROJECTS. (a) This section applies only to:

26 (1) a county:

27 (A) [~~(1)~~] that borders the United Mexican

1 States;

2 (B) [(2)] that has a population of more than  
3 300,000; and

4 (C) [(3)] in which the largest municipality has a  
5 population of less than 300,000; and

6 (2) a county that has a population of less than 50,000  
7 that:

8 (A) borders the United Mexican States; and

9 (B) contains at least one federal military base.

10 (b) The commissioners court of a county by order may impose  
11 an additional fee, not to exceed \$10, for ~~[registering]~~ a vehicle  
12 registered in the county.

13 (c) A vehicle that may be registered under this chapter  
14 without payment of a registration fee may be registered ~~[in a county~~  
15 ~~imposing a fee]~~ under this section without payment of the  
16 additional fee.

17 (d) A fee imposed under this section may take effect ~~[only~~  
18 ~~on January 1 of a year. The county must adopt the order]~~ and  
19 ~~[notify the department not later than September 1 of the year~~  
20 ~~preceding the year in which the fee takes effect.~~

21 ~~[(e) A fee imposed under this section may]~~ be removed in  
22 accordance with the requirements of Section 502.401~~[- The removal~~  
23 ~~may take effect only on January 1 of a year. A county may remove the~~  
24 ~~fee only by:~~

25 ~~[(1) rescinding the order imposing the fee; and~~

26 ~~[(2) notifying the department not later than September~~  
27 ~~1 of the year preceding the year in which the removal takes effect].~~

1           (e) [~~(f)~~] The [~~county assessor-collector of a county~~  
2 ~~imposing a fee under this section shall collect the~~] additional fee  
3 shall be collected for a vehicle when other fees imposed under this  
4 chapter are collected. The [~~county shall send the~~] fee revenue  
5 collected shall be sent:

6           (1) to the regional mobility authority of the county  
7 to fund long-term transportation projects in the county if the  
8 county is included in an authority; or

9           (2) to the county treasurer to be credited to the  
10 county public transportation fund if the county is not included in  
11 an authority.

12           ~~(f) [(g) The department shall collect the additional fee on~~  
13 ~~a vehicle that is owned by a resident of a county imposing a fee~~  
14 ~~under this section and that, under this chapter, must be registered~~  
15 ~~directly with the department. The department shall send all fees~~  
16 ~~collected for a county under this subsection to the regional~~  
17 ~~mobility authority of the county to fund long-term transportation~~  
18 ~~projects in the county.~~

19           ~~(h)~~ The department shall adopt rules [~~and develop forms~~]  
20 necessary to administer registration [~~by mail~~] for a vehicle being  
21 registered in a county imposing a fee under this section.

22           SECTION 142. Section 502.173, Transportation Code, is  
23 transferred to Subchapter H, Chapter 502, Transportation Code,  
24 redesignated as Section 502.403, Transportation Code, and amended  
25 to read as follows:

26           Sec. 502.403 [~~502.173~~]. OPTIONAL COUNTY FEE FOR CHILD  
27 SAFETY. (a) The commissioners court of a county that has a



1 population greater than 1.3 million and in which a municipality  
2 with a population of more than one million is primarily located may  
3 impose by order an additional fee of not less than 50 cents or more  
4 than \$1.50 for [~~registering~~] a vehicle registered in the county.  
5 The commissioners court of any other county may impose by order an  
6 additional fee of not more than \$1.50 for registering a vehicle in  
7 the county.

8 (b) A vehicle that may be registered under this chapter  
9 without payment of a registration fee may be registered [~~in a county~~  
10 ~~imposing a fee under this section~~] without payment of the  
11 additional fee.

12 (c) A fee imposed under this section may take effect [~~only~~  
13 ~~on January 1 of a year. The county must adopt the order~~] and [~~notify~~  
14 ~~the department not later than September 10 of the year preceding the~~  
15 ~~year in which the fee takes effect.~~

16 [~~(d) A fee imposed under this section may~~] be removed in  
17 accordance with the provisions of Section 502.401. [~~The removal~~  
18 ~~may take effect only on January 1 of a year. A county may remove the~~  
19 ~~fee only by:~~

- 20 [(1) ~~rescinding the order imposing the fee, and~~  
21 [(2) ~~notifying the department not later than September~~  
22 ~~1 of the year preceding the year in which the removal takes effect.~~]

23 (d) [(e)] The [~~county assessor-collector of a county~~  
24 ~~imposing a fee under this section shall collect the~~] additional fee  
25 shall be collected for a vehicle when other fees imposed under this  
26 chapter are collected.

27 (e) [(f)] A county imposing a fee under this section may

1 deduct for administrative costs an amount of not more than 10  
2 percent of the revenue it receives from the fee. The county may  
3 also deduct from the fee revenue an amount proportional to the  
4 percentage of county residents who live in unincorporated areas of  
5 the county. After making the deductions provided for by this  
6 subsection, the county shall send the remainder of the fee revenue  
7 to the municipalities in the county according to their population.

8 (f) [~~(g)~~] A municipality with a population greater than  
9 850,000 shall deposit revenue from a fee imposed under this  
10 subsection to the credit of the child safety trust fund created  
11 under Section 106.001, Local Government Code. A municipality with a  
12 population less than 850,000 shall use revenue from a fee imposed  
13 under this section in accordance with Article 102.014(g), Code of  
14 Criminal Procedure.

15 (g) [~~(h)~~] After deducting administrative costs, a county  
16 may use revenue from a fee imposed under this section only for a  
17 purpose permitted by Article 102.014(g) [~~Subsection (g), Article~~  
18 ~~102.014~~], Code of Criminal Procedure.

19 SECTION 143. Section 502.174, Transportation Code, is  
20 transferred to Subchapter H, Chapter 502, Transportation Code,  
21 redesignated as Section 502.404, Transportation Code, and amended  
22 to read as follows:

23 Sec. 502.404 [~~502.174~~]. VOLUNTARY ASSESSMENT FOR YOUNG  
24 FARMER LOAN GUARANTEES. (a) When a person registers a commercial  
25 motor vehicle under Section 502.433 [~~502.163~~], the person shall pay  
26 a voluntary assessment of \$5.

27 (b) The county assessor-collector shall send an assessment

1 collected under this section to the comptroller, at the time and in  
2 the manner prescribed by the Texas Agricultural Finance Authority,  
3 for deposit in the Texas agricultural fund.

4 (c) The Texas Agricultural Finance Authority shall  
5 prescribe procedures under which an assessment collected under this  
6 section may be refunded. The county assessor-collector of the  
7 county in which an assessment is collected shall:

8 (1) implement the refund procedures; and

9 (2) provide notice of those procedures to a person  
10 paying an assessment at the time of payment.

11 SECTION 144. Section 502.1745, Transportation Code, is  
12 transferred to Subchapter H, Chapter 502, Transportation Code,  
13 redesignated as Section 502.405, Transportation Code, and amended  
14 to read as follows:

15 Sec. 502.405 [~~502.1745~~]. DONOR EDUCATION, AWARENESS, AND  
16 REGISTRY PROGRAM [~~VOLUNTARY FEE~~]. (a) The department shall  
17 provide to each county assessor-collector the educational  
18 materials for prospective donors provided as required by the Donor  
19 Education, Awareness, and Registry Program of Texas under Chapter  
20 49, Health and Safety Code. The [~~A county assessor-collector shall~~  
21 ~~make the~~] educational materials shall be made available in each  
22 office authorized to accept applications for registration of motor  
23 vehicles.

24 (b) A person may elect to pay [~~county assessor-collector~~  
25 ~~shall collect~~] an additional fee of \$1 for the registration or  
26 renewal of registration of a motor vehicle to pay the costs of the  
27 Donor Education, Awareness, and Registry Program of Texas,

1 established under Chapter 49, Health and Safety Code, and of the  
2 Texas Organ, Tissue, and Eye Donor Council, established under  
3 Chapter 113, Health and Safety Code [~~, if the person registering or~~  
4 ~~renewing the registration of a motor vehicle opts to pay the~~  
5 ~~additional fee~~]. Notwithstanding any other provision of this  
6 chapter, [~~the county assessor-collector shall remit~~] all fees  
7 collected under this subsection shall be remitted to the  
8 comptroller, who shall maintain the identity of the source of the  
9 fees.

10 (c) Three percent of all money collected under this section  
11 may be appropriated only to the department to administer this  
12 section.

13 SECTION 145. The heading to Subchapter I, Chapter 502,  
14 Transportation Code, is amended to read as follows:

15 SUBCHAPTER I. ALTERNATE REGISTRATION FEES [~~TRANSFER AND REMOVAL OF~~  
16 ~~LICENSE PLATES FOR THE SALE OR TRANSFER OF USED VEHICLES~~]

17 SECTION 146. Section 502.164, Transportation Code, is  
18 transferred to Subchapter I, Chapter 502, Transportation Code, and  
19 redesignated as Section 502.431, Transportation Code, to read as  
20 follows:

21 Sec. 502.431 [~~502.164~~]. FEE: MOTOR VEHICLE USED  
22 EXCLUSIVELY TO TRANSPORT AND SPREAD FERTILIZER. The fee for a  
23 registration year for registration of a motor vehicle designed or  
24 modified and used exclusively to transport to the field and spread  
25 fertilizer, including agricultural limestone, is \$75.

26 SECTION 147. Section 502.1586, Transportation Code, is  
27 transferred to Subchapter I, Chapter 502, Transportation Code,

1 redesignated as Section 502.432, Transportation Code, and amended  
2 to read as follows:

3           Sec. 502.432 [~~502.1586~~].           ~~[REGISTRATION PERIOD FOR~~  
4 ~~TRUCK-TRACTOR OR COMMERCIAL MOTOR]~~ VEHICLE TRANSPORTING SEASONAL  
5 AGRICULTURAL PRODUCTS. (a) The department shall provide for a  
6 monthly registration period for a truck-tractor or a commercial  
7 motor vehicle [~~that~~]:

8                   (1) that is used exclusively to transport a seasonal  
9 agricultural product; [~~and~~]

10                   (2) that would otherwise be registered for a vehicle  
11 registration year; and

12                   (3) for which the owner can show proof of payment of  
13 the heavy vehicle use tax or exemption.

14           (b) The department shall [~~adopt forms for registration~~  
15 ~~under this section. An applicant must indicate the number of months~~  
16 ~~registration is applied for.~~

17           ~~[(c) The department shall design,~~ prescribe [~~, and~~  
18 ~~furnish]~~ a registration receipt that is valid until the expiration  
19 of the designated registration period.

20           (c) [~~(d)~~] The registration fee for a registration under  
21 this section is computed at a rate of one-twelfth the annual  
22 registration fee under Section 502.253 [~~502.162~~], 502.255  
23 [~~502.163~~], or 502.433 [~~502.167~~], as applicable, multiplied by the  
24 number of months in the registration period specified in the  
25 application for the registration, which may not be less than one  
26 month or longer than six months.

27           (d) [~~(e) A person issued a registration under this section~~

1 ~~commits an offense if the person, during the registration period~~  
2 ~~for the truck-tractor or commercial motor vehicle, uses the~~  
3 ~~truck-tractor or commercial motor vehicle for a purpose other than~~  
4 ~~to transport a seasonal agricultural product.~~

5 ~~[(f) A truck-tractor or commercial motor vehicle may not be~~  
6 ~~registered under this section for a registration period that is~~  
7 ~~less than one month or longer than six months.~~

8 ~~[(g)]~~ For purposes of this section, "to transport a seasonal  
9 agricultural product" includes any transportation activity  
10 necessary for the production, harvest, or delivery of an  
11 agricultural product that is produced seasonally.

12 SECTION 148. Section 502.163, Transportation Code, is  
13 transferred to Subchapter I, Chapter 502, Transportation Code,  
14 redesignated as Section 502.433, Transportation Code, and amended  
15 to read as follows:

16 Sec. 502.433 [~~502.163~~]. FEE: COMMERCIAL FARM MOTOR VEHICLE  
17 [~~USED PRIMARILY FOR FARM PURPOSES, OFFENSE~~]. (a) The registration  
18 fee for a commercial motor vehicle as a farm vehicle is 50 percent  
19 of the applicable fee under Section 502.253 [~~502.162~~] if the  
20 vehicle's owner will use the vehicle for commercial purposes only  
21 to transport:

22 (1) the person's own poultry, dairy, livestock,  
23 livestock products, timber in its natural state, or farm products  
24 to market or another place for sale or processing;

25 (2) laborers from their place of residence to the  
26 owner's farm or ranch; or

27 (3) without charge, materials, tools, equipment, or

1 supplies from the place of purchase or storage to the owner's farm  
2 or ranch exclusively for the owner's use or for use on the farm or  
3 ranch.

4 (b) A commercial motor vehicle may be registered under this  
5 section despite its use for transporting without charge the owner  
6 or a member of the owner's family:

7 (1) to attend church or school;

8 (2) to visit a doctor for medical treatment or  
9 supplies; or

10 (3) for other necessities of the home or family.

11 (c) Subsection (b) does not permit the use of a vehicle  
12 registered under this section in connection with gainful employment  
13 other than farming or ranching.

14 (d) The department shall provide distinguishing license  
15 plates for a vehicle registered under this section.

16 ~~[(c) The owner of a commercial motor vehicle registered~~  
17 ~~under this section commits an offense if the person uses or permits~~  
18 ~~to be used the vehicle for a purpose other than one permitted by~~  
19 ~~this section. Each use or permission for use in violation of this~~  
20 ~~section is a separate offense.~~

21 ~~[(f) An offense under this section is a misdemeanor~~  
22 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

23 SECTION 149. Section 502.351, Transportation Code, is  
24 transferred to Subchapter I, Chapter 502, Transportation Code,  
25 redesignated as Section 502.434, Transportation Code, and amended  
26 to read as follows:

27 Sec. 502.434 ~~[502.351]~~. FARM VEHICLES: EXCESS WEIGHT. (a)

1 The owner of a registered commercial motor vehicle, truck-tractor,  
2 trailer, or semitrailer may obtain a short-term permit to haul  
3 loads of a weight more than that for which the vehicle is registered  
4 by paying an additional fee before the additional weight is hauled  
5 to transport:

6 (1) the person's own seasonal agricultural products to  
7 market or another point for sale or processing;

8 (2) seasonal laborers from their place of residence to  
9 a farm or ranch; or

10 (3) materials, tools, equipment, or supplies, without  
11 charge, from the place of purchase or storage to a farm or ranch  
12 exclusively for use on the farm or ranch.

13 (b) A permit may not be issued under this section for a  
14 period that is less than one month or that:

15 (1) is greater than one year; or

16 (2) extends beyond the expiration of the registration  
17 year for the vehicle.

18 (c) A permit issued under this section for a quarter must be  
19 for a calendar quarter.

20 (d) The fee for a permit under this section is a percentage  
21 of the difference between the registration fee otherwise prescribed  
22 ~~[by this chapter]~~ for the vehicle and the annual fee for the desired  
23 weight, as follows:

24	One month (30 consecutive days)	10 percent
25	One quarter	30 percent
26	Two quarters	60 percent
27	Three quarters	90 percent



1 (e) The department shall design, prescribe, and furnish a  
2 sticker, plate, or other means of indicating the additional weight  
3 and the registration period for each vehicle registered under this  
4 section.

5 SECTION 150. Section 502.188, Transportation Code, is  
6 transferred to Subchapter I, Chapter 502, Transportation Code,  
7 redesignated as Section 502.435, Transportation Code, and amended  
8 to read as follows:

9 Sec. 502.435 [~~502.188~~]. CERTAIN SOIL CONSERVATION  
10 EQUIPMENT. (a) The owner of a truck-tractor, semitrailer, or  
11 low-boy trailer used on a highway exclusively to transport the  
12 owner's soil conservation machinery or equipment used in clearing  
13 real property, terracing, or building farm ponds, levees, or  
14 ditches may register the vehicle for a fee equal to 50 percent of  
15 the fee otherwise prescribed by this chapter for the vehicle.

16 (b) An owner may register only one truck-tractor and only  
17 one semitrailer or low-boy trailer under this section.

18 (c) An owner [~~applying for registration under this section~~]  
19 must certify [~~submit a statement~~] that the vehicle is to be used  
20 only as provided by Subsection (a).

21 (d) The registration receipt issued for a vehicle  
22 registered under this section must be carried in or on the vehicle  
23 and [~~shall~~] state the nature of the operation for which the vehicle  
24 may be used. [~~The receipt must be carried at all times in or on the~~  
25 ~~vehicle to permit ready inspection.~~]

26 (e) A vehicle to which this section applies that is operated  
27 on a public highway in violation of this section is considered to be

1 operated while unregistered and is immediately subject to the  
2 applicable registration fees and penalties prescribed by this  
3 chapter.

4 SECTION 151. Chapter 502, Transportation Code, is amended  
5 by adding Subchapter J to read as follows:

6 SUBCHAPTER J. REGISTRATIONS EXEMPT FROM FEES

7 SECTION 152. Section 502.201, Transportation Code, as  
8 effective September 1, 2011, is transferred to Subchapter J,  
9 Chapter 502, Transportation Code, as added by this Act,  
10 redesignated as Section 502.451, Transportation Code, and amended  
11 to read as follows:

12 Sec. 502.451 [~~502.201~~]. [~~LICENSE PLATES FOR~~] EXEMPT  
13 VEHICLES. (a) Before license plates are issued or delivered to  
14 the owner of a vehicle that is exempt by law from payment of  
15 registration fees, the department must approve the application for  
16 registration. The department may not approve an application if  
17 there is the appearance that:

18 (1) the vehicle was transferred to the owner or  
19 purported owner:

20 (A) for the sole purpose of evading the payment  
21 of registration fees; or

22 (B) in bad faith; or

23 (2) the vehicle is not being used in accordance with  
24 the exemption requirements.

25 (b) The department shall revoke the registration of a  
26 vehicle issued license plates under this section and may recall the  
27 plates if the vehicle is no longer:

1           (1) owned and operated by the person whose ownership  
2 of the vehicle qualified the vehicle for the exemption; or

3           (2) used in accordance with the exemption  
4 requirements.

5           (c) [~~(d)~~] The department shall provide by rule for the  
6 issuance of specially designated license plates for vehicles that  
7 are exempt by law. Except as provided by Subsection (f) [~~(g)~~], the  
8 license plates must bear the word "exempt."

9           (d) [~~(e)~~] A license plate under Subsection (c) [~~(d)~~] is not  
10 issued annually, but remains on the vehicle until:

11           (1) the registration is revoked as provided by  
12 Subsection (b); or

13           (2) the plate is lost, stolen, or mutilated.

14           (e) [~~(f)~~] A person who operates on a public highway a  
15 vehicle after the registration has been revoked is liable for the  
16 penalties for failing to register a vehicle.

17           (f) [~~(g)~~] The department shall provide by rule for the  
18 issuance of regularly designed license plates not bearing the word  
19 "exempt" for a vehicle that is exempt by law and that is:

20           (1) a law enforcement vehicle, if the agency certifies  
21 to the department that the vehicle will be dedicated to law  
22 enforcement activities;

23           (2) a vehicle exempt from inscription requirements  
24 under a rule adopted as provided by Section 721.003; or

25           (3) a vehicle exempt from inscription requirements  
26 under an order or ordinance adopted by a governing body of a  
27 municipality or commissioners court of a county as provided by

1 Section 721.005, if the applicant presents a copy of the order or  
2 ordinance.

3 SECTION 153. Section 502.2015, Transportation Code, is  
4 transferred to Subchapter J, Chapter 502, Transportation Code, as  
5 added by this Act, redesignated as Section 502.452, Transportation  
6 Code, and amended to read as follows:

7 Sec. 502.452 [~~502.2015~~]. LIMITATION ON ISSUANCE OF EXEMPT  
8 LICENSE PLATES; SEIZURE OF CERTAIN VEHICLES. (a) The department  
9 may not issue exempt license plates for a vehicle owned by the  
10 United States, this state, or a political subdivision of this state  
11 unless when application is made for registration of the vehicle,  
12 the person who under Section 502.453 [~~502.202~~] has authority to  
13 certify to the department that the vehicle qualifies for  
14 registration under that section also certifies in writing to the  
15 department that there is printed on each side of the vehicle, in  
16 letters that are at least two inches high or in an emblem that is at  
17 least 100 square inches in size, the name of the agency, department,  
18 bureau, board, commission, or officer of the United States, this  
19 state, or the political subdivision of this state that has custody  
20 of the vehicle. The letters or emblem must be of a color  
21 sufficiently different from the body of the vehicle to be clearly  
22 legible from a distance of 100 feet.

23 (b) The department may not issue exempt license plates for a  
24 vehicle owned by a person other than the United States, this state,  
25 or a political subdivision of this state unless, when application  
26 is made for registration of the vehicle, the person who under  
27 Section 502.453 [~~502.202~~] has authority to certify to the

1 department that the vehicle qualifies for registration under that  
2 section also certifies in writing to the department that the name of  
3 the owner of the vehicle is printed on the vehicle in the manner  
4 prescribed by Subsection (a).

5 (c) A peace officer listed in Article 2.12, Code of Criminal  
6 Procedure, may seize a motor vehicle displaying exempt license  
7 plates if the vehicle is:

8 (1) operated on a public highway; and

9 (2) not identified in the manner prescribed by  
10 Subsection (a) or (b), unless the vehicle is covered by Subsection  
11 (f).

12 (d) A peace officer who seizes a motor vehicle under  
13 Subsection (c) may require that the vehicle be:

14 (1) moved to the nearest place of safety off the  
15 main-traveled part of the highway; or

16 (2) removed and placed in the nearest vehicle storage  
17 facility designated or maintained by the law enforcement agency  
18 that employs the peace officer.

19 (e) To obtain the release of the vehicle, in addition to any  
20 other requirement of law, the owner of a vehicle seized under  
21 Subsection (c) must:

22 (1) remedy the defect by identifying the vehicle as  
23 required by Subsection (a) or (b); or

24 (2) agree in writing with the law enforcement agency  
25 to provide evidence to that agency, before the 10th day after the  
26 date the vehicle is released, that the defect has been remedied by  
27 identifying the vehicle as required by Subsection (a) or (b).

1 (f) Subsections (a) and (b) do not apply to a vehicle to  
2 which Section 502.451(f) [~~502.201(g) or 502.206~~] applies.

3 (g) For purposes of this section, an exempt license plate is  
4 a license plate issued by the department that is plainly marked with  
5 the word "exempt."

6 SECTION 154. Section 502.202, Transportation Code, is  
7 transferred to Subchapter J, Chapter 502, Transportation Code, as  
8 added by this Act, redesignated as Section 502.453, Transportation  
9 Code, and amended to read as follows:

10 Sec. 502.453 [~~502.202~~]. GOVERNMENT-OWNED VEHICLES; PUBLIC  
11 SCHOOL BUSES; FIRE-FIGHTING VEHICLES; COUNTY MARINE LAW  
12 ENFORCEMENT VEHICLES. (a) The owner of a motor vehicle, trailer,  
13 or semitrailer may annually apply for registration under Section  
14 502.451 [~~502.201~~] and is exempt from the payment of a registration  
15 fee under this chapter if the vehicle is:

16 (1) owned by and used exclusively in the service of:

17 (A) the United States;

18 (B) this state; or

19 (C) a county, municipality, or school district in  
20 this state;

21 (2) owned by a commercial transportation company and  
22 used exclusively to provide public school transportation services  
23 to a school district under Section 34.008, Education Code;

24 (3) designed and used exclusively for fire fighting;

25 (4) owned by a volunteer fire department and used  
26 exclusively in the conduct of department business; [~~or~~]

27 (5) privately owned and used by a volunteer

1 exclusively in county marine law enforcement activities, including  
2 rescue operations, under the direction of the sheriff's department;  
3 or  
4 (6) used by law enforcement under an alias for covert  
5 criminal investigations.

6 (b) An application for registration under this section must  
7 be made by a person having the authority to certify that the vehicle  
8 meets the exemption requirements prescribed by Subsection (a). An  
9 application for registration under this section of a fire-fighting  
10 vehicle described by Subsection (a)(3) must include a reasonable  
11 description of the vehicle and of any fire-fighting equipment  
12 mounted on the vehicle. An application for registration under this  
13 section of a vehicle described by Subsection (a)(5) must include a  
14 statement signed by a person having the authority to act for a  
15 sheriff's department that the vehicle is used exclusively in marine  
16 law enforcement activities under the direction of the sheriff's  
17 department.

18 SECTION 155. Section 502.203, Transportation Code, is  
19 transferred to Subchapter J, Chapter 502, Transportation Code, as  
20 added by this Act, redesignated as Section 502.454, Transportation  
21 Code, and amended to read as follows:

22 Sec. 502.454 [~~502.203~~]. VEHICLES USED BY NONPROFIT DISASTER  
23 RELIEF ORGANIZATIONS. (a) The owner of a commercial motor vehicle,  
24 trailer, or semitrailer may apply for registration under Section  
25 502.451 [~~502.201~~] and is exempt from the payment of the  
26 registration fee that would otherwise be required by this chapter  
27 if the vehicle is owned and used exclusively for emergencies by a

1 nonprofit disaster relief organization.

2 (b) An application for registration under this section must  
3 include:

4 (1) a statement by the owner of the vehicle that the  
5 vehicle is used exclusively for emergencies and has not been used  
6 for any other purpose;

7 (2) a statement signed by an officer of the nonprofit  
8 disaster relief organization that the vehicle has not been used for  
9 any purpose other than emergencies and qualifies for registration  
10 under this section; and

11 (3) a reasonable description of the vehicle and the  
12 emergency equipment included in the vehicle.

13 (c) An applicant for registration under this section must  
14 pay a fee of \$5.

15 (d) A commercial motor vehicle registered under this  
16 section must display the name of the organization that owns it on  
17 each front door.

18 (e) A vehicle registered under this section must display at  
19 all times an appropriate license plate showing the vehicle's  
20 status.

21 (f) A vehicle registered under this section that is used for  
22 any purpose other than an emergency may not again be registered  
23 under this section.

24 SECTION 156. Section 502.2035, Transportation Code, is  
25 transferred to Subchapter J, Chapter 502, Transportation Code, as  
26 added by this Act, and redesignated as Section 502.455,  
27 Transportation Code, to read as follows:



1           Sec. 502.455 [~~502.2035~~]. TRAILERS AND SEMITRAILERS OWNED BY  
2 RELIGIOUS ORGANIZATIONS. (a) A trailer or semitrailer may be  
3 registered without payment if the trailer or semitrailer is:

4                 (1) owned by an organization that qualifies as a  
5 religious organization under Section 11.20, Tax Code; and

6                 (2) used primarily for the purpose of transporting  
7 property in connection with the charitable activities and functions  
8 of the organization.

9           (b) An application for registration under this section must  
10 include a statement signed by an officer of the religious  
11 organization stating that the trailer or semitrailer qualifies for  
12 registration under this section.

13           SECTION 157. Section 502.204, Transportation Code, is  
14 transferred to Subchapter J, Chapter 502, Transportation Code, as  
15 added by this Act, redesignated as Section 502.456, Transportation  
16 Code, and amended to read as follows:

17           Sec. 502.456 [~~502.204~~]. EMERGENCY SERVICES VEHICLES. (a) A  
18 vehicle may be registered without payment if:

19                 (1) the vehicle is owned or leased by an emergency  
20 medical services provider that:

21                         (A) is a nonprofit entity; or

22                         (B) is created and operated by:

23                                 (i) a county;

24                                 (ii) a municipality; or

25                                 (iii) any combination of counties and  
26 municipalities through a contract, joint agreement, or other method  
27 provided by Chapter 791, Government Code, or other law authorizing

1 counties and municipalities to provide joint programs; and

2 (2) the vehicle:

3 (A) is authorized under an emergency medical  
4 services provider license issued by the Department of State [~~Texas~~  
5 ~~Board of~~] Health Services under Chapter 773, Health and Safety  
6 Code, and is used exclusively as an emergency medical services  
7 vehicle; or

8 (B) is an emergency medical services chief or  
9 supervisor vehicle and is used exclusively as an emergency services  
10 vehicle.

11 (b) A vehicle may be registered without payment of a  
12 registration fee if the vehicle:

13 (1) is owned by the Civil Air Patrol, Texas Wing; and

14 (2) is used exclusively as an emergency services  
15 vehicle by members of the Civil Air Patrol, Texas Wing.

16 (c) An application for registration under Subsection (a)  
17 must be accompanied by a copy of the license issued by the  
18 Department of State [~~Texas Board of~~] Health Services. An  
19 application for registration of an emergency medical services  
20 vehicle must include a statement signed by an officer of the  
21 emergency medical services provider that the vehicle is used  
22 exclusively as an emergency response vehicle and qualifies for  
23 registration under this section. An application for registration  
24 of an emergency medical services chief or supervisor vehicle must  
25 include a statement signed by an officer of the emergency medical  
26 services provider stating that the vehicle qualifies for  
27 registration under this section.

1 (d) An application for registration under Subsection (b)  
2 must include a statement signed by an officer of the Civil Air  
3 Patrol, Texas Wing, that the vehicle is used exclusively as an  
4 emergency services vehicle by members of the Civil Air Patrol,  
5 Texas Wing.

6 (e) The department must approve an application for  
7 registration under this section as provided by Section 502.451  
8 [~~502.201~~].

9 SECTION 158. Section 520.0225, Transportation Code, is  
10 transferred to Subchapter J, Chapter 502, Transportation Code, as  
11 added by this Act, redesignated as Section 502.457, Transportation  
12 Code, and amended to read as follows:

13 Sec. 502.457 [~~520.0225~~]. PERSONS ON ACTIVE DUTY IN ARMED  
14 FORCES OF UNITED STATES. (a) This section applies only to a used  
15 motor vehicle that is owned by a person who:

16 (1) is on active duty in the armed forces of the United  
17 States;

18 (2) is stationed in or has been assigned to another  
19 nation under military orders; and

20 (3) has registered the vehicle or been issued a  
21 license for the vehicle under the applicable status of forces  
22 agreement by:

23 (A) the appropriate branch of the armed forces of  
24 the United States; or

25 (B) the nation in which the person is stationed  
26 or to which the person has been assigned.

27 (b) The requirement [~~in Section 520.021~~] that a used vehicle

1 be registered under the law of this state does not apply to a  
2 vehicle described by Subsection (a). In lieu of delivering the  
3 license receipt to the transferee of the vehicle, as required by  
4 Section 501.0721 [~~520.022~~], the person selling, trading, or  
5 otherwise transferring a used motor vehicle described by Subsection  
6 (a) shall deliver to the transferee:

7 (1) a letter written on official letterhead by the  
8 owner's unit commander attesting to the registration of the vehicle  
9 under Subsection (a)(3); or

10 (2) the registration receipt issued by the appropriate  
11 branch of the armed forces or host nation.

12 (c) A registration receipt issued by a host nation that is  
13 not written in the English language must be accompanied by:

14 (1) a written translation of the registration receipt  
15 in English; and

16 (2) an affidavit, in English and signed by the person  
17 translating the registration receipt, attesting to the person's  
18 ability to translate the registration receipt into English.

19 SECTION 159. Chapter 502, Transportation Code, is amended  
20 by adding Subchapter K to read as follows:

21 SUBCHAPTER K. OFFENSES AND PENALTIES

22 SECTION 160. Section 502.401, Transportation Code, is  
23 transferred to Subchapter K, Chapter 502, Transportation Code, as  
24 added by this Act, redesignated as Section 502.471, Transportation  
25 Code, and amended to read as follows:

26 Sec. 502.471 [~~502.401~~]. GENERAL PENALTY. (a) A person  
27 commits an offense if the person violates a provision of this

1 chapter and no other penalty is prescribed for the violation.

2 (b) This section does not apply to a violation of Section  
3 502.003, 502.042, 502.197 [~~502.101, 502.109, 502.112, 502.113,~~  
4 ~~502.114, 502.152, 502.164~~], or 502.431 [~~502.282~~].

5 (c) Unless otherwise specified, an [~~An~~] offense under this  
6 section is a misdemeanor punishable by a fine not to exceed \$200.

7 SECTION 161. Section 502.402, Transportation Code, is  
8 transferred to Subchapter K, Chapter 502, Transportation Code, as  
9 added by this Act, redesignated as Section 502.472, Transportation  
10 Code, and amended to read as follows:

11 Sec. 502.472 [~~502.402~~]. OPERATION OF VEHICLE UNDER IMPROPER  
12 REGISTRATION [~~UNREGISTERED MOTOR VEHICLE~~]. [~~(a)~~] A person commits  
13 an offense if the person operates a motor vehicle that has not been  
14 registered or registered for a class other than that to which the  
15 vehicle belongs as required by law. [~~An offense under this~~  
16 ~~subsection is a misdemeanor punishable by a fine not to exceed~~  
17 ~~\$200.~~]

18 SECTION 162. Section 502.404, Transportation Code, is  
19 transferred to Subchapter K, Chapter 502, Transportation Code, as  
20 added by this Act, redesignated as Section 502.473, Transportation  
21 Code, and amended to read as follows:

22 Sec. 502.473 [~~502.404~~]. OPERATION OF VEHICLE WITHOUT  
23 [~~LICENSE PLATE OR~~] REGISTRATION INSIGNIA. (a) [~~A person commits an~~  
24 ~~offense if the person operates on a public highway during a~~  
25 ~~registration period a passenger car or commercial motor vehicle~~  
26 ~~that does not display two license plates, at the front and rear of~~  
27 ~~the vehicle, that have been:~~

1           ~~[(1) assigned by the department for the period; or~~  
2           ~~[(2) validated by a registration insignia issued by~~  
3 ~~the department that establishes that the vehicle is registered for~~  
4 ~~the period.~~

5           ~~[(b)]~~ A person commits an offense if the person operates on  
6 a public highway during a registration period a ~~[passenger car or~~  
7 ~~commercial]~~ motor vehicle ~~[, other than a vehicle assigned license~~  
8 ~~plates for the registration period,]~~ that does not properly display  
9 the registration insignia issued by the department that establishes  
10 that the license plates have been validated for the period.

11           (b) ~~[(c)]~~ A person commits an offense if the person operates  
12 on a public highway during a registration period a road tractor,  
13 motorcycle, trailer, or semitrailer that does not display ~~[a~~  
14 ~~license plate, attached to the rear of the vehicle, that has been:~~

15           ~~[(1) assigned by the department for the period; or~~  
16           ~~[(2) validated by]~~ a registration insignia issued by  
17 the department that establishes that the vehicle is registered for  
18 the period.

19           (c) This section does ~~[(d) Subsections (a) and (b) do]~~ not  
20 apply to a dealer operating a vehicle as provided by law.

21           (d) ~~[(e) An offense under this section is a misdemeanor~~  
22 ~~punishable by a fine not to exceed \$200.~~

23           ~~[(f) A court may dismiss a charge brought under Subsection~~  
24 ~~(a) if the defendant:~~

25           ~~[(1) remedies the defect before the defendant's first~~  
26 ~~court appearance; and~~

27           ~~[(2) pays an administrative fee not to exceed \$10.~~

1           ~~[(g)]~~ A court may dismiss a charge brought under Subsection  
2 (a) ~~[(b)]~~ if the defendant:

3                   (1) shows that~~+~~

4                           ~~[(A)]~~ the ~~[passenger car or commercial]~~ motor  
5 vehicle was issued a registration insignia by the department that  
6 was attached to the motor vehicle, establishing that ~~[establishes~~  
7 ~~that]~~ the vehicle was registered for the period during which the  
8 offense was committed; and

9                           ~~[(B) the registration insignia described in~~  
10 ~~Paragraph (A) was attached to the passenger car or commercial motor~~  
11 ~~vehicle before the defendant's first court appearance; and]~~

12                   (2) pays an administrative fee not to exceed \$10.

13           SECTION 163. Subchapter K, Chapter 502, Transportation  
14 Code, as added by this Act, is amended by adding Section 502.474 to  
15 read as follows:

16           Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. A  
17 person commits an offense if the person operates a vehicle for which  
18 a one-trip permit is required without the registration receipt and  
19 properly displayed temporary tag.

20           SECTION 164. Section 502.409, Transportation Code, is  
21 transferred to Subchapter K, Chapter 502, Transportation Code, as  
22 added by this Act, redesignated as Section 502.475, Transportation  
23 Code, and amended to read as follows:

24           Sec. 502.475 ~~[502.409]~~. WRONG, FICTITIOUS, ALTERED, OR  
25 OBSCURED INSIGNIA ~~[LICENSE PLATE]~~. (a) A person commits an offense  
26 if the person attaches to or displays on a motor vehicle a ~~[number~~  
27 ~~plate or]~~ registration insignia that:

1           (1) is assigned to a different motor vehicle;

2           (2) is assigned to the vehicle under any other motor  
3 vehicle law other than by the department;

4           (3) is assigned for a registration period other than  
5 the registration period in effect; or

6           (4) is fictitious[+  
7           ~~[(5) has blurring or reflective matter that~~  
8 ~~significantly impairs the readability of the name of the state in~~  
9 ~~which the vehicle is registered or the letters or numbers of the~~  
10 ~~license plate number at any time;~~

11           ~~[(6) has an attached illuminated device or sticker,~~  
12 ~~decal, emblem, or other insignia that is not authorized by law and~~  
13 ~~that interferes with the readability of the letters or numbers of~~  
14 ~~the license plate number or the name of the state in which the~~  
15 ~~vehicle is registered; or~~

16           ~~[(7) has a coating, covering, protective material, or~~  
17 ~~other apparatus that:~~

18                   ~~[(A) distorts angular visibility or~~  
19 ~~detectability;~~

20                   ~~[(B) alters or obscures one-half or more of the~~  
21 ~~name of the state in which the vehicle is registered; or~~

22                   ~~[(C) alters or obscures the letters or numbers of~~  
23 ~~the license plate number or the color of the plate].~~

24           (b) Except as provided by Subsection (d) [~~(f)~~], an offense  
25 under Subsection (a) is a misdemeanor punishable by a fine of not  
26 more than \$200, unless it is shown at the trial of the offense that  
27 the owner knowingly altered or made illegible the letters, numbers,



1 and other identification marks, in which case the offense is a Class  
2 B misdemeanor.

3 (c) [~~Subsection (a)(7) may not be construed to apply to:~~  
4 [~~(1) a trailer hitch installed on a vehicle in a normal~~  
5 ~~or customary manner;~~  
6 [~~(2) a transponder, as defined by Section 228.057,~~  
7 ~~that is attached to a vehicle in the manner required by the issuing~~  
8 ~~authority;~~  
9 [~~(3) a wheelchair lift or wheelchair carrier that is~~  
10 ~~attached to a vehicle in a normal or customary manner;~~  
11 [~~(4) a trailer being towed by a vehicle; or~~  
12 [~~(5) a bicycle rack that is attached to a vehicle in a~~  
13 ~~normal or customary manner.~~

14 [~~(d)] A court may dismiss a charge brought under Subsection  
15 (a)(3) [~~, (5), (6), or (7)] if the defendant:~~~~

16 (1) remedies the defect before the defendant's first  
17 court appearance; and

18 (2) pays an administrative fee not to exceed \$10.

19 (d) [~~(f)] An offense under Subsection (a)(4) is a Class B  
20 misdemeanor.~~

21 SECTION 165. Subchapter K, Chapter 502, Transportation  
22 Code, as added by this Act, is amended by adding Sections 502.476,  
23 502.477, 502.478, and 502.479 to read as follows:

24 Sec. 502.476. ANNUAL PERMITS; OFFENSE. A person who  
25 violates Section 502.093 commits an offense.

26 Sec. 502.477. NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT  
27 AGRICULTURAL PRODUCT; OFFENSE. (a) A person operating a vehicle

1 under a permit issued under Section 502.092 commits an offense if  
2 the person transports farm products to a place of market, storage,  
3 or processing or a railhead or seaport that is farther from the  
4 place of production or point of entry, as appropriate, than the  
5 distance provided for in the permit.

6 (b) An offense under this section is a misdemeanor  
7 punishable by a fine of not less than \$25 or more than \$200.

8 Sec. 502.478. COMMERCIAL MOTOR VEHICLE USED PRIMARILY FOR  
9 AGRICULTURAL PURPOSES; OFFENSE. (a) The owner of a commercial  
10 motor vehicle registered under Section 502.433 commits an offense  
11 if the person uses or permits the use of the vehicle for a purpose  
12 other than one allowed under Section 502.433. Each use or  
13 permission of use in violation of this section is a separate  
14 offense.

15 (b) An offense under this section is a misdemeanor  
16 punishable by a fine of not less than \$25 or more than \$200.

17 Sec. 502.479. SEASONAL AGRICULTURAL VEHICLE; OFFENSE. A  
18 person issued a registration under Section 502.432 commits an  
19 offense if the person, during the registration period, uses the  
20 truck-tractor or commercial motor vehicle for a purpose other than  
21 to transport a seasonal agricultural product.

22 SECTION 166. Section 520.014, Transportation Code, is  
23 transferred to Subchapter K, Chapter 502, Transportation Code, as  
24 added by this Act, redesignated as Section 502.480, Transportation  
25 Code, and amended to read as follows:

26 Sec. 502.480 [520.014]. VIOLATION BY COUNTY  
27 ASSESSOR-COLLECTOR; PENALTY. (a) A county assessor-collector

1 commits an offense if the county assessor-collector knowingly  
2 accepts an application for the registration of a motor vehicle  
3 that:

4 (1) has had the original motor number or vehicle  
5 identification number removed, erased, or destroyed; and

6 (2) does not bear a motor number or vehicle  
7 identification number assigned by the department.

8 (b) An offense under this section is a misdemeanor  
9 punishable by a fine of not less than \$10 and not more than \$50.

10 SECTION 167. Chapter 502, Transportation Code, is amended  
11 by adding Subchapter L to read as follows:

12 SUBCHAPTER L. REGISTRATION AND TRANSFER OF USED VEHICLES

13 SECTION 168. Section 502.451, Transportation Code, is  
14 transferred to Subchapter L, Chapter 502, Transportation Code, as  
15 added by this Act, redesignated as Section 502.491, Transportation  
16 Code, and amended to read as follows:

17 Sec. 502.491 [~~502.451~~]. TRANSFER OF VEHICLE REGISTRATION  
18 [~~AND REMOVAL OF LICENSE PLATES~~]. (a) On the sale or transfer of a  
19 motor vehicle [~~to a dealer~~], [~~as defined by Section 503.001, who~~  
20 ~~holds a general distinguishing number issued under Chapter 503, the~~  
21 ~~dealer shall remove each license plate and~~] the registration  
22 insignia issued for the motor vehicle shall be removed.

23 [~~(a-1) On a sale or transfer of a motor vehicle to a person~~  
24 ~~that does not hold a general distinguishing number issued under~~  
25 ~~Chapter 503, the seller or transferor may remove each license plate~~  
26 ~~and the registration insignia issued for the motor vehicle.~~]

27 (b) [~~A license plate removed from a motor vehicle under~~

1 ~~Subsection (a) or (a-1) must be:~~

2 ~~[(1) disposed of in the manner specified by the~~  
3 ~~department; or~~

4 ~~[(2) transferred to another vehicle owned by the~~  
5 ~~seller or transferor as provided by Section 502.452.~~

6 ~~[(c)]~~ The part of the registration period remaining at the  
7 time of the sale or transfer shall continue with the vehicle being  
8 sold or transferred and does not transfer with the license plates or  
9 registration validation insignia. To continue the remainder of  
10 the registration period, the purchaser or transferee must file the  
11 documents required under Section 501.145 ~~[520.031]~~.

12 SECTION 169. Section 502.454, Transportation Code, is  
13 transferred to Subchapter L, Chapter 502, Transportation Code, as  
14 added by this Act, redesignated as Section 502.492, Transportation  
15 Code, and amended to read as follows:

16 Sec. 502.492 ~~[502.454]~~. TEMPORARY TRANSIT PERMIT FOR A  
17 VEHICLE PURCHASED ~~[IN A PRIVATE PARTY TRANSACTION]~~. (a) A  
18 purchaser ~~[or transferee]~~ may obtain from the department a  
19 temporary transit ~~[single-trip]~~ permit to operate a motor vehicle:

20 (1) that is subject to registration in this state;  
21 (2) from which the license plates and the registration  
22 insignia have been removed as authorized by Section 502.491 or  
23 504.901 ~~[502.451(a-1)]~~; and

24 (3) that is not authorized to travel on a public  
25 roadway because the required license plates and the registration  
26 insignia are not attached to the vehicle.

27 (b) The department may issue the permit in accordance with

1 this section.

2 (c) A permit issued under this section is valid for one trip  
3 between the point of origin and the destination and those  
4 intermediate points specified in the permit.

5 (d) A permit issued under this section may not be valid for  
6 longer than a five-day period.

7 (e) A person may obtain a permit under this section by  
8 applying, as [~~on a form~~] provided by the department, to the  
9 department. Application may be made using the department's  
10 Internet website.

11 (f) A person is eligible to receive only one permit under  
12 this section for a motor vehicle.

13 (g) A permit receipt issued under this section must be in  
14 [~~on~~] a manner [~~form~~] provided by the department. The receipt must  
15 contain the information required by this section and shall be  
16 carried in the vehicle at all times during which it is valid.

17 (h) The department may refuse to issue a permit under this  
18 section for any vehicle if in the department's opinion the  
19 applicant has been involved in operations that constitute an abuse  
20 of the privilege granted under this section.

21 SECTION 170. The heading to Chapter 504, Transportation  
22 Code, is amended to read as follows:

23 CHAPTER 504. [~~SPECIALTY~~] LICENSE PLATES

24 SECTION 171. Section 504.001(a), Transportation Code, is  
25 amended by adding Subdivision (3) to read as follows:

26 (3) "Purchaser" and "seller" have the meanings  
27 assigned by Section 501.002.

1 SECTION 172. Section 504.004, Transportation Code, is  
2 redesignated as Section 504.0011, Transportation Code, and amended  
3 to read as follows:

4 Sec. 504.0011 [~~504.004~~]. RULES [~~AND FORMS~~]. The board may  
5 adopt rules [~~and the department may issue forms~~] to implement and  
6 administer this chapter.

7 SECTION 173. Section 504.002, Transportation Code, is  
8 amended to read as follows:

9 Sec. 504.002. [~~PROVISIONS — OF~~] GENERAL PROVISIONS  
10 [~~APPLICABILITY~~]. Unless expressly provided by this chapter or by  
11 department rule:

12 (1) except for license plates specified as exempt,  
13 [~~any vehicle is eligible to be issued specialty license plates,~~  
14 ~~provided that the department may vary the design of a license plate~~  
15 ~~to accommodate or reflect its use on a motor vehicle other than a~~  
16 ~~passenger car or light truck,~~

17 [~~(2) an application for specialty license plates must~~  
18 ~~be submitted in the manner specified by the department, provided~~  
19 ~~that if issuance of a specialty license plate is limited to~~  
20 ~~particular persons or motor vehicles, the application must be~~  
21 ~~accompanied by evidence satisfactory to the department that the~~  
22 ~~applicant or the applicant's vehicle is eligible,~~

23 [~~(3)~~] the fee for issuance of a [~~specialty~~] license  
24 plate, including replacement plates, is in addition to each other  
25 fee that is paid for [~~or~~] at the time of the registration of the  
26 motor vehicle and shall be deposited to the credit of the state  
27 highway fund;

1           (2) if the registration period is greater than 12  
2 months, the expiration date of a specialty license plate, symbol,  
3 tab, or other device shall be aligned with the registration period,  
4 and the specialty plate fee shall be adjusted pro rata, except that  
5 if the statutory annual fee for a specialty license plate is \$5 or  
6 less, it may not be prorated;

7           ~~(3) [(4) each fee described by this chapter is an~~  
8 ~~annual fee, provided that the department may prorate the fee for a~~  
9 ~~specialty license plate fee on a monthly basis to align the license~~  
10 ~~plate fee to the registration period for the motor vehicle for which~~  
11 ~~the license plate was issued, and if a fee is prorated the~~  
12 ~~allocation of the fee by this chapter to an account or fund shall be~~  
13 ~~prorated in proportion;~~

14           ~~[(5)]~~ the department is the exclusive owner of the  
15 design of each [~~specialty~~] license plate;

16           (4) [(6) the director may refuse to issue a specialty  
17 license plate with a design or alphanumeric pattern that the  
18 director considers potentially objectionable to one or more members  
19 of the public and the director's refusal may not be overturned in  
20 the absence of an abuse of discretion;

21           ~~[(7) for each specialty license plate that is issued~~  
22 ~~through a county tax assessor-collector and for which the~~  
23 ~~department is allocated a portion of a fee for administrative~~  
24 ~~costs, the department shall credit 50 cents from its administrative~~  
25 ~~costs to the county treasurer of the applicable county, who shall~~  
26 ~~credit the money to the general fund of the county to defray the~~  
27 ~~costs to the county of administering this chapter;~~

1           ~~[(8)]~~ if a [~~specialty~~] license plate is lost, stolen,  
2 or mutilated, an application for a replacement plate must be  
3 accompanied by the fee prescribed by Section 502.060  
4 ~~[502.184(a)(2)]~~,

5           ~~[(9) if the owner of a motor vehicle for which a~~  
6 ~~specialty license plate is issued disposes of the vehicle or for any~~  
7 ~~reason ceases to be eligible for that specialty license plate, the~~  
8 ~~owner shall return the specialty license plate to the department]~~;  
9 and

10           (5) the department shall prepare the designs and  
11 specifications of license plates ~~[(10) a person who is issued a~~  
12 ~~specialty license plate may not transfer it to another person or~~  
13 ~~vehicle without first receiving approval from the department]~~.

14           SECTION 174. Section 504.103, Transportation Code, is  
15 transferred to Subchapter A, Chapter 504, Transportation Code,  
16 redesignated as Section 504.005, Transportation Code, and amended  
17 to read as follows:

18           Sec. 504.005 ~~[504.103]~~. DESIGN AND ALPHANUMERIC PATTERN.

19           (a) The department has sole control over the design, typeface,  
20 color, and alphanumeric pattern for all ~~[a personalized]~~ license  
21 plates ~~[plate]~~.

22           (b) The department shall prepare the designs and  
23 specifications of license plates and devices selected by the board  
24 to be used as a unique identifier.

25           (c) The department shall design each license plate to  
26 include a design at least one-half inch wide that represents in  
27 silhouette the shape of Texas and that appears between letters and



1 numerals. The department may omit the silhouette of Texas from  
2 specially designed license plates.

3 (d) To promote highway safety, each license plate shall be  
4 made with a reflectorized material that provides effective and  
5 dependable brightness for the period for which the plate is issued.

6 SECTION 175. Subchapter A, Chapter 504, Transportation  
7 Code, is amended by adding Section 504.0051 to read as follows:

8 Sec. 504.0051. PERSONALIZED LICENSE PLATES. (a) The  
9 department shall issue personalized license plates, including  
10 those issued in accordance with the marketing vendor as provided in  
11 Subchapter J. The department may not issue more than one set of  
12 license plates with the same alphanumeric pattern.

13 (b) The department may not issue a replacement set of  
14 personalized plates to the same person before the period set by rule  
15 unless the applicant for issuance of replacement plates pays the  
16 fee required by Section 504.007.

17 SECTION 176. Section 502.053, Transportation Code, is  
18 transferred to Subchapter A, Chapter 504, Transportation Code,  
19 redesignated as Section 504.006, Transportation Code, and amended  
20 to read as follows:

21 Sec. 504.006 [502.053]. COST OF MANUFACTURING [LICENSE  
22 PLATES OR REGISTRATION INSIGNIA]. (a) The department shall  
23 reimburse the Texas Department of Criminal Justice for the cost of  
24 manufacturing license plates [or registration insignia] as [the  
25 license plates or insignia and] the invoices [invoice] for the  
26 license plates [or insignia] are delivered to the department.

27 (b) When manufacturing is started, the Texas Department of

1 Criminal Justice and [~~7~~] the department, [~~and the comptroller,~~]  
2 after negotiation, shall set the price to be paid for each license  
3 plate [~~or insignia~~]. The price must be determined from:

- 4 (1) the cost of metal, paint, and other materials  
5 purchased;
- 6 (2) the inmate maintenance cost per shift [~~day~~];
- 7 (3) overhead expenses;
- 8 (4) miscellaneous charges; and
- 9 (5) a previously agreed upon [~~approved~~] amount of  
10 profit for the work.

11 [~~(c) The annual profit received by the Texas Department of  
12 Criminal Justice from all contracts for the manufacturing of  
13 license plates or related manufacturing may not be less than the  
14 profit received by the Texas Department of Corrections for  
15 manufacturing license plates for use in 1974.]~~]

16 SECTION 177. Section 502.1841, Transportation Code, as  
17 effective September 1, 2011, is transferred to Subchapter A,  
18 Chapter 504, Transportation Code, redesignated as Section 504.007,  
19 Transportation Code, and amended to read as follows:

20 Sec. 504.007 [~~502.1841~~]. REPLACEMENT LICENSE PLATES. (a)  
21 The owner of a registered motor vehicle may obtain replacement  
22 license plates for the vehicle by:

23 (1) certifying that the replacement plates will not be  
24 used on any other vehicle owned or operated by the person making the  
25 statement;

26 (2) paying a fee of \$6 plus the fee required by Section  
27 502.356(a) [~~502.1705(a)~~] for each set of replacement license

1 plates, unless otherwise specified by law; and

2 (3) returning to the department each license plate in  
3 the owner's possession for which a replacement license plate is  
4 obtained.

5 (b) Replacement license plates may not be issued except as  
6 provided by this section.

7 (c) A county assessor-collector shall retain \$2.50 of each  
8 fee collected under this section and forward the remainder of the  
9 fee to the department.

10 (d) The fee required by this section applies to the issuance  
11 of license plates for a transferred used vehicle for which the  
12 registration and license plates were not transferred under Section  
13 504.901 [Subchapter I].

14 (e) Replacement license plates may be used in the  
15 registration year in which the plates are issued and during each  
16 succeeding year of the registration period as set by rule if the  
17 registration insignia is properly displayed on the vehicle.

18 (f) Subsection (e) does not apply to the issuance of  
19 specialized license plates for limited distribution, including  
20 exempt plates for governmental entities and temporary registration  
21 plates.

22 SECTION 178. Subchapter A, Chapter 504, Transportation  
23 Code, is amended by adding Section 504.008 to read as follows:

24 Sec. 504.008. SPECIALTY LICENSE PLATES. (a) The  
25 department shall prepare the designs and specifications of  
26 specialty license plates.

27 (b) Any motor vehicle other than a vehicle manufactured for

1 off-highway use only is eligible to be issued specialty license  
2 plates, provided that the department may vary the design of a  
3 license plate to accommodate or reflect its use on a motor vehicle  
4 other than a passenger car or light truck.

5 (c) An application for specialty license plates must be  
6 submitted in the manner specified by the department, provided that  
7 if issuance of a specialty license plate is limited to particular  
8 persons or motor vehicles, the application must be accompanied by  
9 evidence satisfactory to the department that the applicant or the  
10 applicant's vehicle is eligible.

11 (d) Each fee described by this chapter is an annual fee,  
12 provided that the department may prorate the fee for a specialty  
13 license plate fee on a monthly basis to align the license plate fee  
14 to the registration month for the motor vehicle for which the  
15 license plate was issued, and if a fee is prorated the allocation of  
16 the fee by this chapter to an account or fund shall be prorated in  
17 proportion.

18 (e) The director or the director's designee may refuse to  
19 issue a specialty license plate with a design or alphanumeric  
20 pattern that the director or designee considers potentially  
21 objectionable to one or more members of the public and the director  
22 or designee's refusal may not be overturned in the absence of an  
23 abuse of discretion.

24 (f) For each specialty license plate that is issued by a  
25 county assessor-collector and for which the department is allocated  
26 a portion of the fee for administrative costs, the department shall  
27 credit 50 cents from its administrative costs to the county

1 treasurer of the applicable county, who shall credit the money to  
2 the general fund of the county to defray the costs to the county of  
3 administering this chapter.

4 (g) If the owner of a motor vehicle for which a specialty  
5 license plate is issued disposes of the vehicle or for any reason  
6 ceases to be eligible for that specialty license plate, the owner  
7 shall return the specialty license plate to the department.

8 (h) A person who is issued a specialty license plate may not  
9 transfer the plate to another person or vehicle unless the  
10 department approves the transfer.

11 SECTION 179. Section 504.003, Transportation Code, is  
12 redesignated as Section 504.009, Transportation Code, and amended  
13 to read as follows:

14 Sec. 504.009 [~~504.003~~]. SOUVENIR LICENSE PLATES. (a) The  
15 department may issue a souvenir version of any specialty license  
16 plate for any vehicle [~~, including a motorcycle~~].

17 (b) The fee for a single souvenir license plate is \$20. The  
18 fee shall be deposited to the credit of the state highway fund  
19 unless the souvenir license plate is a replica of a specialty  
20 license plate issued under Subchapter G or I for which the fee is  
21 deposited to an account other than the state highway fund, in which  
22 case:

23 (1) \$10 of the fee for the souvenir license plate shall  
24 be deposited to the credit of the designated account; and

25 (2) \$10 of the fee for the souvenir license plate shall  
26 be deposited to the credit of the state highway fund.

27 (c) If a souvenir license plate issued before November 19

1 ~~[September 1]~~, 2009, is personalized, the fee for the plate is  
2 \$40. Of the fee:

3 (1) \$20 shall be deposited to the credit of the state  
4 highway fund;

5 (2) \$10 shall be deposited to the credit of the  
6 designated account if the souvenir license plate is a replica of a  
7 specialty license plate issued under Subchapter G or I for which the  
8 fee is deposited to a designated account other than the state  
9 highway fund; and

10 (3) the remainder shall be deposited to the credit of  
11 the general revenue fund.

12 (c-1) The fee for a souvenir license plate issued on or  
13 after November 19 ~~[September 1]~~, 2009, is the amount established  
14 under Section 504.851(c).

15 (d) A souvenir license plate may not be used on a motor  
16 vehicle~~[, including a motorcycle,]~~ and is not an insignia of  
17 registration for a motor vehicle. Each souvenir license plate must  
18 be identified by the department in a way that identifies it to law  
19 enforcement officers and others as a souvenir license plate.

20 (e) A beneficiary of a specialty license plate issued under  
21 Subchapter G or I, as designated by the applicable section of those  
22 subchapters, may purchase the specialty license plates, in minimum  
23 amounts determined by the department ~~[boxes of 25]~~, for use or  
24 resale by the beneficiary. The beneficiary shall pay the required  
25 fee per plate, less the amount of the fee that would be deposited to  
26 the credit of the designated account.

27 SECTION 180. Subchapter A, Chapter 504, Transportation

1 Code, is amended by adding Section 504.010 to read as follows:

2 Sec. 504.010. ISSUANCE AND PLACEMENT OF LICENSE PLATE. (a)

3 On payment of the prescribed fee, an applicant for motor vehicle  
4 registration shall be issued a license plate or set of plates.

5 (b) Subject to Section 504.901, the department shall issue  
6 only one license plate or set of plates for a vehicle during the  
7 registration period set by rule.

8 (c) The board may adopt rules regarding the placement of  
9 license plates for a motor vehicle, road tractor, motorcycle,  
10 trailer, or semitrailer.

11 SECTION 181. Subchapter B, Chapter 504, Transportation  
12 Code, is amended by adding Section 504.101 to read as follows:

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

17 SECTION 182. Sections 504.201(b), (d), and (g),  
18 Transportation Code, are amended to read as follows:

19 (b) The department shall issue specialty license plates for  
20 a motor vehicle that:

21 (1) has a gross vehicle weight [~~manufacturer's rated~~  
22 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less; and

23 (2) is regularly operated for noncommercial use by or  
24 for the transportation of a person with a permanent disability.

25 (d) Except as provided by Subsection (d-1), the initial  
26 application for specialty license plates under this section must be  
27 accompanied by a written statement from a physician who is licensed

1 to practice medicine in this state or in a state adjacent to this  
2 state or who is authorized by applicable law to practice medicine in  
3 a hospital or other health facility of the Department of Veterans  
4 Affairs. If the applicant has a mobility problem caused by a  
5 disorder of the foot, the written statement may be issued by a  
6 person licensed to practice podiatry in this state or a state  
7 adjacent to this state. In this subsection, "podiatry" has the  
8 meaning assigned by Section 681.001. The statement must certify  
9 that the person making the application or on whose behalf the  
10 application is made is legally blind or has a mobility problem that  
11 substantially impairs the person's ability to ambulate. The  
12 statement must also certify whether a mobility problem is temporary  
13 or permanent. A written statement is not required as acceptable  
14 medical proof if:

15 (1) the person with a disability:

16 (A) has had a limb, hand, or foot amputated; or

17 (B) must use a wheelchair; and

18 (2) the applicant executes a statement [~~and the county~~  
19 ~~assessor-collector processing the application execute an~~  
20 ~~affidavit~~] attesting to the person's disability before the county  
21 assessor-collector.

22 (g) In addition to a license plate issued under this  
23 section, an eligible person is entitled to be issued a set of the  
24 license plates for each motor vehicle owned by the person that has a  
25 gross vehicle weight [~~carrying capacity~~] of 18,000 pounds [~~two~~  
26 ~~tons~~] or less and is equipped with special equipment that:

27 (1) is designed to allow a person who has lost the use



1 of one or both of the person's legs to operate the vehicle; and

2 (2) is not standard equipment on that type of vehicle  
3 for use by a person who has use of both legs.

4 SECTION 183. Section 504.202, Transportation Code, is  
5 amended by amending Subsections (b) and (f) and adding Subsection  
6 (i) to read as follows:

7 (b) A veteran of the United States armed forces is entitled  
8 to register, for the person's own use, motor vehicles under this  
9 section if:

10 (1) the person has suffered, as a result of military  
11 service:

12 (A) at least a 50 percent service-connected  
13 disability; or

14 (B) a 40 percent service-connected disability  
15 because of the amputation of a lower extremity;

16 (2) the person receives compensation from the United  
17 States because of the disability; and

18 (3) the motor vehicle:

19 (A) is owned by the person; and

20 (B) has a gross vehicle weight [~~manufacturer's~~  
21 ~~rated carrying capacity~~] of 18,000 pounds [~~two tons~~] or less.

22 (f) The fee for the first set of license plates is \$3. There  
23 is no fee for each additional set of license plates. [~~If a license~~  
24 ~~plate is lost, stolen, or mutilated, on payment of a \$1 fee the~~  
25 ~~department shall issue a set of replacement plates.~~]

26 (i) A license plate with the letters "DV" may be  
27 personalized with up to four characters.

1 SECTION 184. Section 504.203(b), Transportation Code, is  
2 amended to read as follows:

3 (b) An application for license plates under this section  
4 must be accompanied by a written statement acknowledged [~~signed~~] by  
5 the administrator or manager of the institution, facility, or  
6 retirement community certifying that the institution, facility, or  
7 retirement community regularly transports, as a part of the  
8 services that the institution, facility, or retirement community  
9 provides, one or more eligible persons who reside in the  
10 institution, facility, or retirement community. The department  
11 shall determine the eligibility of the institution, facility, or  
12 retirement community on the evidence the applicant provides.

13 SECTION 185. Section 504.301, Transportation Code, is  
14 amended to read as follows:

15 Sec. 504.301. PROVISIONS GENERALLY APPLICABLE TO MILITARY  
16 SPECIALTY LICENSE PLATES. (a) Unless expressly provided by this  
17 subchapter or department rule:

18 (1) the department shall design specialty license  
19 plates for the military; and

20 (2) a person is not eligible to be issued a specialty  
21 license plate under this subchapter if the person was discharged  
22 from the armed forces under conditions less than honorable.

23 (b) Notwithstanding any other provision of this subchapter,  
24 the department may design the wording on the specialty license  
25 plates to accommodate legibility and reflectivity.

26 SECTION 186. Section 504.3011, Transportation Code, is  
27 amended to read as follows:

1           Sec. 504.3011. DESIGN OF CERTAIN LICENSE PLATES FOR THE  
2 MILITARY. [~~(a) License plates issued under Section 504.303 must~~  
3 ~~at a minimum bear a color depiction of the emblem of the appropriate~~  
4 ~~branch of the United States armed forces.~~

5           [~~(b) License plates issued under Section 504.308(a) or~~  
6 ~~504.315(e), (f), or (g) must at a minimum bear a color depiction of~~  
7 ~~the appropriate medal.~~

8           [~~(c)~~] The department shall design military license plates  
9 that:

10                   (1) bear a color depiction of the emblem of the  
11 appropriate branch of the United States armed forces or a color  
12 depiction of the appropriate medal as provided by the United States  
13 Department of Defense; and

14                   (2) include the words "Honorably Discharged" for  
15 license plates issued to former members of the United States armed  
16 forces [~~to which this section applies in consultation with veterans~~  
17 ~~organizations].~~

18           SECTION 187. Section 504.315(d), Transportation Code, is  
19 amended to read as follows:

20           (d) The department shall issue specialty license plates for  
21 survivors of the attack on Pearl Harbor on December 7, 1941. The  
22 license plates must include the words "Pearl Harbor Survivor." [~~and~~  
23 ~~must be consecutively numbered.~~] A person is eligible if the  
24 person:

25                   (1) served in the United States armed forces;

26                   (2) was stationed in the Hawaiian Islands on December  
27 7, 1941; and

1           (3) survived the attack on Pearl Harbor on December 7,  
2 1941.

3           SECTION 188. Subchapter D, Chapter 504, Transportation  
4 Code, is amended by adding Section 504.317 to read as follows:

5           Sec. 504.317. SURVIVING SPOUSES OF DISABLED VETERANS  
6 SPECIALTY LICENSE PLATES. (a) In this section, "surviving spouse"  
7 means the individual married to a disabled veteran at the time of  
8 the veteran's death.

9           (b) The department shall issue specialty license plates for  
10 surviving spouses of disabled veterans of the United States armed  
11 forces.

12           SECTION 189. Subchapter E, Chapter 504, Transportation  
13 Code, is amended by adding Section 504.400 to read as follows:

14           Sec. 504.400. FEES FOR CERTAIN RESTRICTED PLATES. The  
15 department shall issue, without charge, not more than three sets of  
16 specialty license plates under this subchapter.

17           SECTION 190. Sections 504.401(a) and (c), Transportation  
18 Code, are amended to read as follows:

19           (a) The department shall issue [~~without charge~~] specialty  
20 license plates that include the words "State Official" to a state  
21 official. [~~The license plates must include the words "State~~  
22 ~~Official."~~]

23           (c) The registration remains [~~license plates remain~~] valid  
24 until December 31 of each year.

25           SECTION 191. Section 504.402(a), Transportation Code, is  
26 amended to read as follows:

27           (a) The department shall issue [~~without charge~~] specialty

1 license plates to [~~for~~] members of congress, which [~~License~~  
2 ~~plates issued under this section~~] must include the words "U.S.  
3 Congress."

4 SECTION 192. Section 504.403(a), Transportation Code, is  
5 amended to read as follows:

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

10 SECTION 193. Section 504.403(d)(2), Transportation Code,  
11 is amended to read as follows:

- 12 (2) "State judge" means:
- 13 (A) a justice of the supreme court;
  - 14 (B) a judge of the court of criminal appeals;
  - 15 (C) a judge of a court of appeals of this state;
  - 16 (D) a district court judge;
  - 17 (E) a presiding judge of an administrative  
18 judicial district; or
  - 19 (F) a statutory county court judge.

20 SECTION 194. Section 504.404(a), Transportation Code, is  
21 amended to read as follows:

22 (a) The department shall issue [~~without charge~~] specialty  
23 license plates to [~~for~~] current federal administrative law judges  
24 that [~~The license plates shall~~] bear the words "U.S. A. L.  
25 Judge."

26 SECTION 195. Section 504.405(a), Transportation Code, is  
27 amended to read as follows:

1 (a) The department shall issue [~~without charge~~] specialty  
2 license plates for current county judges of this state that[~~. The~~  
3 ~~license plates shall~~] bear the words "County Judge."

4 SECTION 196. Section 504.406, Transportation Code, is  
5 amended to read as follows:

6 Sec. 504.406. TEXAS CONSTABLES. The department shall issue  
7 [~~without charge~~] specialty license plates for Texas constables  
8 that[~~. The license plates shall~~] bear the words "Texas Constable."

9 SECTION 197. Section 504.412, Transportation Code, is  
10 redesignated as Section 504.4061, Transportation Code, and amended  
11 to read as follows:

12 Sec. 504.4061 [~~504.412~~]. FOREIGN ORGANIZATION VEHICLES.

13 (a) The department shall issue specialty license plates for an  
14 instrumentality established by a foreign government recognized by  
15 the United States before January 1, 1979, that is without official  
16 representation or diplomatic relations with the United States. The  
17 license plates must include the words "Foreign Organization" and  
18 shall remain valid for seven [~~five~~] years.

19 (b) A person entitled to specialty license plates under this  
20 section may register the vehicle without payment of any fee paid for  
21 or at the time of registration.

22 SECTION 198. Section 504.509, Transportation Code, as  
23 effective September 1, 2011, is transferred to Subchapter E,  
24 Chapter 504, Transportation Code, and redesignated as Section  
25 504.415, Transportation Code, to read as follows:

26 Sec. 504.415 [~~504.509~~]. VEHICLES CARRYING MOBILE AMATEUR  
27 RADIO EQUIPMENT. The department shall issue specialty license

1 plates for a person who holds an amateur radio station license  
2 issued by the Federal Communications Commission and who operates  
3 receiving and transmitting mobile amateur radio equipment. The  
4 license plates shall include the person's amateur call letters as  
5 assigned by the Federal Communications Commission. A person may  
6 register more than one vehicle equipped with mobile amateur radio  
7 equipment under this section, and the department shall issue  
8 license plates that include the same amateur call letters for each  
9 vehicle.

10 SECTION 199. Section 504.501(b), Transportation Code, is  
11 amended to read as follows:

12 (b) A person eligible for the license plates may instead use  
13 license plates that were issued by this state in the same year as  
14 the model year of the vehicle and are approved by the department [~~if~~  
15 ~~the plates are approved for the vehicle before January 1, 2011~~]. The  
16 department may require the attachment of a registration insignia to  
17 the license plate in a manner that does not affect the display of  
18 information originally on the license plate.

19 SECTION 200. The heading to Subchapter F, Chapter 504,  
20 Transportation Code, is amended to read as follows:

21 SUBCHAPTER F. SPECIALTY LICENSE PLATES WITH RESTRICTED  
22 DISTRIBUTION AND REGULAR LICENSE PLATE FEES [~~FOR CERTAIN VEHICLES~~]

23 SECTION 201. Section 504.502(g), Transportation Code, is  
24 amended to read as follows:

25 (g) A person entitled to specialty license plates or to  
26 department approval under this section may register the vehicle  
27 without payment of any fees paid for or at the time of registration

1 except the fee for the license plate. [~~An owner of a vehicle~~  
2 ~~registered under this subsection who violates this section commits~~  
3 ~~an offense. An offense under this section is a misdemeanor~~  
4 ~~punishable by a fine of not less than \$5 or more than \$200.~~]

5 SECTION 202. Section 504.503, Transportation Code, is  
6 amended to read as follows:

7 Sec. 504.503. MUNICIPAL, MOTOR, AND PRIVATE BUSES.

8 [~~(a)~~] The department shall issue without charge specialty license  
9 plates for municipal buses, motor buses, and private buses. The  
10 license plates must include the words "City Bus," "Motor Bus," or  
11 "Private Bus," as appropriate.

12 [~~(b) In this section, "private bus" means a bus that:~~

13 [~~(1) is not operated for hire; and~~

14 [~~(2) is not classified as a municipal bus or a motor~~  
15 ~~bus.~~]

16 SECTION 203. The heading to Section 504.506, Transportation  
17 Code, is amended to read as follows:

18 Sec. 504.506. [~~CERTAIN~~] LOG LOADER VEHICLES.

19 SECTION 204. Sections 504.407 and 504.408, Transportation  
20 Code, are transferred to Subchapter F, Chapter 504, Transportation  
21 Code, and redesignated as Sections 504.511 and 504.512,  
22 Transportation Code, to read as follows:

23 Sec. 504.511 [~~504.407~~]. PEACE OFFICERS WOUNDED OR KILLED  
24 IN LINE OF DUTY. (a) The department shall issue specialty license  
25 plates for:

26 (1) a person wounded in the line of duty as a peace  
27 officer; or



1           (2) a surviving spouse, parent, brother, sister, or  
2 adult child, including an adopted child or stepchild, of a person  
3 killed in the line of duty as a peace officer.

4           (b) License plates issued under this section must include  
5 the words "To Protect and Serve" above an insignia depicting a  
6 yellow rose superimposed over the outline of a badge.

7           (c) The fee for issuance of the license plates is \$20.

8           (d) In this section, "peace officer" has the meaning  
9 assigned by Section 1.07, Penal Code.

10          Sec. 504.512 [~~504.408~~]. GOLD STAR MOTHER, SPOUSE, OR  
11 FAMILY MEMBER. (a) The department shall issue a specialty license  
12 plate for the mother, surviving spouse, or immediate family member  
13 of a person who died while serving in the United States armed  
14 forces. License plates issued under this section must include the  
15 words "Gold Star Mother," "Gold Star Spouse," or "Gold Star Family"  
16 and a gold star. A person may not be issued more than one set of the  
17 license plates at a time.

18          (a-1) In this section "immediate family member" means the  
19 parent, child, or sibling of a person who died while serving in the  
20 United States armed forces.

21          (b) The fee for issuance of the license plates is \$10.

22          SECTION 205. Section 504.409, Transportation Code, as  
23 effective September 1, 2011, and as amended by Chapters 1136 (H.B.  
24 2553) and 1381 (S.B. 1616), Acts of the 81st Legislature, Regular  
25 Session, 2009, is transferred to Subchapter F, Chapter 504,  
26 Transportation Code, redesignated as Section 504.513,  
27 Transportation Code, and reenacted and amended to read as follows:

1           Sec. 504.513 [~~504.409~~]. FIREFIGHTERS. (a) The department  
2 shall issue specialty license plates for:

3                   (1) volunteer firefighters certified by:

4                           (A) the Texas Commission on Fire Protection; or

5                           (B) the State Firemen's and Fire Marshals'  
6 Association of Texas; and

7                   (2) fire protection personnel as that term is defined  
8 by Section 419.021, Government Code.

9           (b) [~~(c)~~] A person may be issued not more than three sets of  
10 license plates.

11           SECTION 206. Sections 504.410 and 504.411, Transportation  
12 Code, are transferred to Subchapter F, Chapter 504, Transportation  
13 Code, redesignated as Sections 504.514 and 504.515, Transportation  
14 Code, and amended to read as follows:

15           Sec. 504.514 [~~504.410~~]. EMERGENCY       MEDICAL       SERVICES  
16 PERSONNEL. (a) The department shall issue specialty license  
17 plates for emergency medical services personnel certified by the  
18 [~~Texas~~] Department of State Health Services under Subchapter C,  
19 Chapter 773, Health and Safety Code.

20                   (b) The fee for issuance of the license plates is \$8.

21                   (c) A person may be issued only one set of the license  
22 plates.

23           Sec. 504.515 [~~504.411~~]. HONORARY       CONSULS.       (a) The  
24 department shall issue specialty license plates for a person who is  
25 an honorary consul authorized by the United States to perform  
26 consular duties. License plates issued under this section must  
27 include the words "Honorary Consul."

1 (b) The fee for issuance of the license plates is \$40.

2 SECTION 207. Subchapter F, Chapter 504, Transportation  
3 Code, is amended by adding Section 504.516 to read as follows:

4 Sec. 504.516. RENTAL TRAILER OR TRAVEL TRAILER FEE:  
5 TRAILER OR SEMITRAILER. (a) The department may issue specially  
6 designed license plates for rental trailers and travel trailers  
7 that include, as appropriate, the words "rental trailer" or "travel  
8 trailer."

9 (b) In this section:

10 (1) "Rental fleet" means vehicles that are designated  
11 in the manner prescribed by the department as a rental fleet.

12 (2) "Rental trailer" means a utility trailer.

13 (3) "Travel trailer" has the meaning assigned by  
14 Section 501.002.

15 SECTION 208. Section 504.6011, Transportation Code, is  
16 amended by amending Subsection (a) and adding Subsection (d) to  
17 read as follows:

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

22 (d) A sponsor of a specialty license plate authorized to be  
23 issued under this subchapter before November 19, 2009, may  
24 reestablish its specialty license plate under Sections 504.601 and  
25 504.702 and be credited its previous deposit with the department if  
26 a contract entered into by the sponsor under Subsection (a)  
27 terminates.

1 SECTION 209. Section 504.614, Transportation Code, is  
2 amended by amending Subsection (a) and adding Subsection (b-1) to  
3 read as follows:

4 (a) The department may issue specialty license plates that  
5 include the name and insignia of a professional sports team located  
6 in this state. The department shall design the license plates in  
7 consultation with the professional sports team and may enter a  
8 trademark license with the professional sports team or its league  
9 to implement this section. A license plate may be issued under this  
10 section only for a professional sports team that:

11 (1) certifies to the department that the requirements  
12 of Section 504.702 are met [~~it has determined that at least 3,500~~  
13 ~~persons will apply for the plates~~]; and

14 (2) plays its home games in a facility constructed or  
15 operated, in whole or in part, with public funds.

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

20 SECTION 210. Section 504.615, Transportation Code, is  
21 amended by amending Subsections (a) and (e) and adding Subsection  
22 (d-1) to read as follows:

23 (a) The department shall issue specialty license plates  
24 that include the name and insignia of a college. The department  
25 shall design the license plates in consultation with the applicable  
26 college. The department may issue a license plate under this  
27 section only for a college that certifies to the department that the

1 requirements of Section 504.702 are met [~~it has determined that at~~  
2 ~~least 1,500 persons will apply for the plates~~].

3 (d-1) If the fee is for the issuance of license plates for a  
4 college described by Subsection (e)(3), the money:

5 (1) shall be deposited to the credit of the Texas  
6 Higher Education Coordinating Board; and

7 (2) is supplementary and is not income for purposes of  
8 reducing general revenue appropriations to that board.

9 (e) In this section, "college" means:

10 (1) an institution of higher education as defined by  
11 Section 61.003, Education Code; [~~or~~]

12 (2) a private college or university described by  
13 Section 61.222, Education Code; or

14 (3) a college or university that is not located in this  
15 state.

16 SECTION 211. Section 504.616(a), Transportation Code, is  
17 amended to read as follows:

18 (a) The department shall issue specialty license plates  
19 including the words "Texas Reads" that [~~"Texas Reads." The~~  
20 ~~department shall design the license plates to~~] incorporate one or  
21 more submissions from middle school students in a competition  
22 conducted by the department.

23 SECTION 212. The heading to Section 504.642, Transportation  
24 Code, is amended to read as follows:

25 Sec. 504.642. TEXAS COUNCIL OF [~~COUNTY~~] CHILD WELFARE  
26 BOARDS [~~BOARD~~] LICENSE PLATES.

27 SECTION 213. Section 504.642(a), Transportation Code, is

1 amended to read as follows:

2 (a) The department shall issue Texas Council of [~~County~~]  
3 Child Welfare Boards specialty license plates. The department  
4 shall design the license plates in consultation with the Texas  
5 Council of Child Welfare Boards, Inc.

6 SECTION 214. Section 504.647(a), Transportation Code, is  
7 amended to read as follows:

8 (a) The department shall issue Fight Terrorism specialty  
9 license plates that [~~. The license plates shall~~] include a  
10 pentagon-shaped border surrounding:

11 (1) the date "9-11-01" with the likeness of the World  
12 Trade Center towers forming the "11";

13 (2) the likeness of the United States flag; and

14 (3) the words "Fight Terrorism."

15 SECTION 215. Section 504.413, Transportation Code, is  
16 transferred to Subchapter G, Chapter 504, Transportation Code, and  
17 redesignated as Section 504.659, Transportation Code, to read as  
18 follows:

19 Sec. 504.659 [~~504.413~~]. MEMBERS OF AMERICAN LEGION.

20 (a) The department shall issue specialty license plates for  
21 members of the American Legion. The license plates shall include  
22 the words "Still Serving America" and the emblem of the American  
23 Legion. The department shall design the license plates in  
24 consultation with the American Legion.

25 (b) The fee for the license plates is \$30.

26 (c) After deduction of \$8 to reimburse the department for  
27 its administrative costs, the remainder of the fee for issuance of

1 the license plates shall be deposited to the credit of the American  
2 Legion, Department of Texas account in the state treasury. Money in  
3 the account may be used only by the Texas Veterans Commission in  
4 making grants to the American Legion Endowment Fund for  
5 scholarships and youth programs sponsored by the American Legion,  
6 Department of Texas.

7 SECTION 216. Section 504.702, Transportation Code, is  
8 amended by amending Subsection (b) and adding Subsections (e) and  
9 (f) to read as follows:

10 (b) The department may manufacture the specialty license  
11 plates only if a request for manufacture of the license plates is  
12 filed with the department. The request must be:

13 (1) made in ~~on~~ a manner prescribed ~~[form adopted]~~ by  
14 the department;

15 (2) filed before the fifth anniversary of the  
16 effective date of the law that authorizes the issuance of the  
17 specialty license plates; and

18 (3) accompanied by~~+~~

19 ~~[(A)]~~ a deposit of \$8,000~~[, or~~

20 ~~[(B)] applications for issuance of at least 1,900~~  
21 ~~sets of the license plates plus the fees for issuance of that number~~  
22 ~~of sets].~~

23 (e) The department may issue license plates under:

24 (1) Section 504.614 for a particular professional  
25 sports team only if \$8,000 has been deposited with the department  
26 for that sports team; or

27 (2) Section 504.615 for a particular institution of

1 higher education or private college or university only if \$8,000  
2 has been deposited with the department for that institution,  
3 college, or university.

4 (f) Money deposited with the department under Subsection  
5 (b)(3) or (e) shall be returned by the department to the person who  
6 made the deposit after 800 sets of plates have been issued.

7 SECTION 217. Sections 504.801(a), (b), (d), and (d-1),  
8 Transportation Code, as effective September 1, 2011, are amended to  
9 read as follows:

10 (a) The department may create new specialty license plates  
11 on its own initiative or on receipt of an application from a  
12 potential sponsor. A new specialty license plate created under  
13 this section must comply with each requirement of Section 504.702  
14 unless the license is created by the department on its own  
15 initiative. The department may permit a specialty license plate  
16 created under this section to be personalized. The redesign of an  
17 existing specialty license plate at the request of a sponsor shall  
18 be treated like the issuance of a new specialty license plate[  
19 ~~except that the department may require a nonrefundable design fee].~~

20 (b) Any nonprofit entity [~~person~~] may submit an application  
21 to the department to sponsor a new specialty license plate [~~by~~  
22 ~~submitting an application to the department~~]. An application may  
23 nominate a state agency to receive funds derived from the issuance  
24 of the license plates. The application may also identify uses to  
25 which those funds should be appropriated.

26 (d) The fee for issuance of license plates created under  
27 this subchapter before November 19 [~~September 1~~], 2009, is \$30



1 unless the department sets a higher fee. This subsection does not  
2 apply to a specialty license plate marketed and sold by a private  
3 vendor at the request of the specialty license plate sponsor.

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

7 SECTION 218. The heading to Section 504.802, Transportation  
8 Code, is amended to read as follows:

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

11 SECTION 219. Section 504.802, Transportation Code, is  
12 amended by amending Subsections (a) and (c) and adding Subsection  
13 (d) to read as follows:

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

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

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

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

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

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

4 (C) for a license plate issued under Section  
5 504.614, the public entity that provides or provided funds for the  
6 professional sports team's facility; and

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

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

12 SECTION 220. Section 504.851, Transportation Code, is  
13 amended by amending Subsections (a-2), (c), (e), (f), and (h) and  
14 adding Subsections (a-3) and (m) to read as follows:

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

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

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

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

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

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

1 cost; and

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

4 (c) The board by rule shall establish the fees for the  
5 issuance or renewal of souvenir license plates, specialty license  
6 plates, or souvenir or specialty license plates that are  
7 personalized that are marketed and sold by the private vendor or  
8 hosted on the private vendor's website. The state's portion of the  
9 personalization fee may not be less than \$40 for each year issued.

10 Other fees [~~Fees~~] must be reasonable and not less than the amounts  
11 necessary to allow the department to recover all reasonable costs  
12 to the department associated with the evaluation of the competitive  
13 sealed proposals received by the department and with the  
14 implementation and enforcement of the contract, including direct,  
15 indirect, and administrative costs. A fee established under this  
16 subsection is in addition to:

17 (1) the registration fee and any optional registration  
18 fee prescribed by this chapter for the vehicle for which specialty  
19 license plates are issued;

20 (2) any additional fee prescribed by this subchapter  
21 for the issuance of specialty license plates for that vehicle; and

22 (3) any additional fee prescribed by this subchapter  
23 for the issuance of personalized license plates for that vehicle.

24 (e) The portion of a contract with a private vendor  
25 regarding the marketing and sale of personalized license plates is  
26 payable only from amounts derived from the collection of the fee  
27 established under Subsection (b). The portion of a contract with a

1 private vendor regarding the marketing, hosting, and sale of  
2 souvenir license plates, specialty license plates, or souvenir or  
3 specialty license plates that are personalized under Section  
4 504.102 is payable only from amounts derived from the collection of  
5 the fee established under Subsection (c).

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

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

18 (m) If the private vendor ceases operation:

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

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

24 SECTION 221. Section 504.853, Transportation Code, is  
25 amended to read as follows:

26 Sec. 504.853. SPECIALTY AND PERSONALIZED LICENSE PLATES  
27 ISSUED BEFORE NOVEMBER 19 [~~SEPTEMBER 1~~], 2009. (a) A specialty or

1 personalized license plate issued before November 19 [~~September 1~~],  
2 2009, may be issued for a subsequent registration period only if the  
3 applicant submits an application and pays the required fee for the  
4 applicable registration period. A person who is issued a  
5 personalized license plate has first priority on that license plate  
6 for each subsequent registration period for which the person  
7 submits a new application for that plate.

8 (b) Unless the board by rule adopts a higher fee or the  
9 license plate is not renewed annually, the [~~The~~] fee for issuance of  
10 a [~~personalized~~] license plate issued before November 19 [~~September~~  
11 ~~1~~], 2009, is:

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

14 (2) \$40 for a personalized license plate [~~, unless the~~  
15 ~~director adopts by rule a higher fee~~].

16 (c) A person who is issued a specialty or personalized  
17 license plate by the department before November 19 [~~September 1~~],  
18 2009, may:

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

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

25 (d) The department may not issue a replacement set of  
26 personalized license plates to the same person before the period  
27 set by rule [~~sixth anniversary of the date of issuance~~] unless the

1 applicant for issuance of replacement plates pays an additional fee  
2 of \$30.

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

5 (1) \$1.25 shall be used by the department to defray the  
6 cost of administering this section; and

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

9 SECTION 222. Sections 504.854(a) and (b), Transportation  
10 Code, are amended to read as follows:

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

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

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

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

22 (b) A [~~Only a~~] license to display an alphanumeric pattern  
23 purchased under this section [~~or a license to display an~~  
24 ~~alphanumeric pattern sold by the private vendor under Section~~  
25 ~~504.853~~] may be transferred to another person without payment of  
26 the fee provided by Section 504.855. [~~The transferee is entitled to~~  
27 ~~the same rights and privileges as the transferor.~~]

1 SECTION 223. Subchapter J, Chapter 504, Transportation  
2 Code, is amended by adding Section 504.855 to read as follows:

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

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

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

10 SECTION 224. Chapter 504, Transportation Code, is amended  
11 by adding Subchapter K to read as follows:

12 SUBCHAPTER K. TRANSFER AND REMOVAL OF LICENSE PLATES

13 Sec. 504.901. TRANSFER AND REMOVAL OF LICENSE PLATES. (a)  
14 On the sale or transfer of a motor vehicle to a dealer who holds a  
15 general distinguishing number issued under Chapter 503, the dealer  
16 shall remove each license plate issued for the motor vehicle. A  
17 person may use the license plates removed from a motor vehicle on a  
18 new motor vehicle purchased from a dealer after the person obtains  
19 the department's approval of a title and registration application.

20 (b) On the sale or transfer of a motor vehicle to a person  
21 who does not hold a general distinguishing number issued under  
22 Chapter 503, the seller may remove each license plate issued for the  
23 motor vehicle. The license plates may be transferred to another  
24 vehicle titled in the seller's name if the seller obtains:

25 (1) the department's approval of an application to  
26 transfer the license plates; and

27 (2) a new registration insignia for the motor vehicle.

1       (c) A license plate removed from a motor vehicle that is not  
2 transferred to another motor vehicle must be disposed of in a manner  
3 specified by the department.

4       (d) To be eligible for transfer, license plates must be  
5 appropriate for the class of vehicle to which the plates are being  
6 transferred.

7       SECTION 225. Chapter 504, Transportation Code, is amended  
8 by adding Subchapter L to read as follows:

9               SUBCHAPTER L. OFFENSES AND PENALTIES

10       Sec. 504.941. ANTIQUE VEHICLES; OFFENSE. (a) A person who  
11 violates Section 504.502 commits an offense. An offense under this  
12 section is a misdemeanor punishable by a fine of not less than \$5 or  
13 more than \$200.

14       (b) It is an affirmative defense to prosecution under this  
15 section that at the time of the offense the vehicle was en route to  
16 or from a location for the purpose of routine maintenance of the  
17 vehicle.

18       Sec. 504.942. LOG LOADER VEHICLES; PENALTIES. A vehicle  
19 operated in violation of Section 504.506 is considered to be  
20 operated or moved while unregistered and is immediately subject to  
21 the applicable fees and penalties prescribed by this chapter.

22       Sec. 504.943. OPERATION OF VEHICLE WITHOUT LICENSE PLATE.  
23 (a) Except as provided by Subsection (b), a person commits an  
24 offense if the person operates on a public highway, during a  
25 registration period, a motor vehicle that does not display two  
26 license plates that:

27               (1) have been assigned by the department for the



1 period; and

2 (2) comply with department rules regarding the  
3 placement of license plates.

4 (b) A person commits an offense if the person operates on a  
5 public highway during a registration period a road tractor,  
6 motorcycle, trailer, or semitrailer that does not display a license  
7 plate that:

8 (1) has been assigned by the department for the  
9 period; and

10 (2) complies with department rules regarding the  
11 placement of license plates.

12 (c) This section does not apply to a dealer operating a  
13 vehicle as provided by law.

14 (d) A court may dismiss a charge brought under Subsection  
15 (a)(1) if the defendant:

16 (1) remedies the defect before the defendant's first  
17 court appearance; and

18 (2) pays an administrative fee not to exceed \$10.

19 SECTION 226. Section 502.408, Transportation Code, is  
20 transferred to Subchapter L, Chapter 504, Transportation Code, as  
21 added by this Act, redesignated as Section 504.944, Transportation  
22 Code, and amended to read as follows:

23 Sec. 504.944 [~~502.408~~]. OPERATION OF VEHICLE WITH WRONG  
24 LICENSE PLATE. [~~(a)~~] A person commits an offense if the person  
25 operates, or as the owner permits another to operate, on a public  
26 highway a motor vehicle that has attached to it a number plate or  
27 registration insignia issued for a different vehicle. An offense

1 under this section [~~subsection~~] is a misdemeanor punishable by a  
2 fine not to exceed \$200.

3 SECTION 227. Subchapter L, Chapter 504, Transportation  
4 Code, as added by this Act, is amended by adding Section 504.945 to  
5 read as follows:

6 Sec. 504.945. WRONG, FICTITIOUS, ALTERED, OR OBSCURED  
7 LICENSE PLATE. (a) A person commits an offense if the person  
8 attaches to or displays on a motor vehicle a license plate that:

9 (1) is issued for a different motor vehicle;

10 (2) is issued for the vehicle under any other motor  
11 vehicle law other than by the department;

12 (3) is assigned for a registration period other than  
13 the registration period in effect;

14 (4) is fictitious;

15 (5) has blurring or reflective matter that  
16 significantly impairs the readability of the name of the state in  
17 which the vehicle is registered or the letters or numbers of the  
18 license plate number at any time;

19 (6) has an attached illuminated device or sticker,  
20 decal, emblem, or other insignia that is not authorized by law and  
21 that interferes with the readability of the letters or numbers of  
22 the license plate number or the name of the state in which the  
23 vehicle is registered; or

24 (7) has a coating, covering, protective substance, or  
25 other material that:

26 (A) distorts angular visibility or  
27 detectability;

1           (B) alters or obscures one-half or more of the  
2 name of the state in which the vehicle is registered; or

3           (C) alters or obscures the letters or numbers of  
4 the license plate number or the color of the plate.

5           (b) Except as provided by Subsection (e), an offense under  
6 Subsection (a) is a misdemeanor punishable by a fine of not more  
7 than \$200, unless it is shown at the trial of the offense that the  
8 owner knowingly altered or made illegible the letters, numbers, and  
9 other identification marks, in which case the offense is a Class B  
10 misdemeanor.

11           (c) Subsection (a)(7) may not be construed to apply to:

12                 (1) a trailer hitch installed on a vehicle in a normal  
13 or customary manner;

14                 (2) a transponder, as defined by Section 228.057, that  
15 is attached to a vehicle in the manner required by the issuing  
16 authority;

17                 (3) a wheelchair lift or wheelchair carrier that is  
18 attached to a vehicle in a normal or customary manner;

19                 (4) a trailer being towed by a vehicle; or

20                 (5) a bicycle or motorcycle rack that is attached to a  
21 vehicle in a normal or customary manner.

22           (d) A court may dismiss a charge brought under Subsection  
23 (a)(3), (5), (6), or (7) if the defendant:

24                 (1) remedies the defect before the defendant's first  
25 court appearance; and

26                 (2) pays an administrative fee not to exceed \$10.

27           (e) An offense under Subsection (a)(4) is a Class B

1 misdemeanor.

2 SECTION 228. Subchapter A, Chapter 520, Transportation  
3 Code, is amended by adding Sections 520.003 and 520.004 to read as  
4 follows:

5 Sec. 520.003. RULES; WAIVER OF FEES. The department may  
6 adopt rules to administer this chapter, including rules that waive  
7 the payment of fees if a dealer has gone out of business and the  
8 applicant can show that fees were paid to the dealer.

9 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department  
10 has jurisdiction over the registration and titling of, and the  
11 issuance of license plates to, motor vehicles in compliance with  
12 the applicable statutes. The board by rule:

13 (1) shall provide services that are reasonable,  
14 adequate, and efficient;

15 (2) shall establish standards for uniformity and  
16 service quality for counties and dealers licensed under Section  
17 520.005; and

18 (3) may conduct public service education campaigns  
19 related to the department's functions.

20 SECTION 229. Section 501.137, Transportation Code, is  
21 transferred to Subchapter A, Chapter 520, Transportation Code,  
22 redesignated as Section 520.005, Transportation Code, and amended  
23 to read as follows:

24 Sec. 520.005 [~~501.137~~]. DUTY AND RESPONSIBILITIES OF  
25 COUNTY ASSESSOR-COLLECTOR. (a) Each county assessor-collector  
26 shall comply with Chapter 501 [~~this chapter~~].

27 (b) An assessor-collector who fails or refuses to comply

1 with Chapter 501 [~~this chapter~~] is liable on the  
2 assessor-collector's official bond for resulting damages suffered  
3 by any person.

4 (c) Notwithstanding the requirements of Sections 520.008  
5 and 520.0091, the assessor-collector may license franchised and  
6 non-franchised motor vehicle dealers to title and register motor  
7 vehicles in accordance with rules adopted under Section 520.004.  
8 The county assessor-collector may pay a fee to a motor vehicle  
9 dealer independent of or as part of the portion of the fees that  
10 would be collected by the county for each title and registration  
11 receipt issued.

12 SECTION 230. Section 502.109, Transportation Code, is  
13 transferred to Subchapter A, Chapter 520, Transportation Code,  
14 redesignated as Section 520.006, Transportation Code, and amended  
15 to read as follows:

16 Sec. 520.006 [~~502.109~~]. COMPENSATION OF ASSESSOR-COLLECTOR.

17 (a) A county assessor-collector shall receive a fee of \$1.90 for  
18 each receipt issued under Chapter 502 [~~this chapter. If the~~  
19 ~~assessor-collector may be compensated by fees, a fee received is~~  
20 ~~compensation for services under this chapter. The~~  
21 ~~assessor-collector shall deduct the fee weekly from the gross~~  
22 ~~collections made under this chapter]~~.

23 (a-1) A county collecting fees on behalf of a county that  
24 has been declared as a disaster area for purposes of Section 501.023  
25 or 502.040 may retain the commission for fees collected, but shall  
26 allocate the fees to the county declared as a disaster area.

27 (b) A county assessor-collector who is compensated under

1 this section shall pay the entire expense of issuing registration  
2 receipts and license plates under Chapter 501 or 502 [~~this chapter~~]  
3 from the compensation allowed under this section.

4 SECTION 231. Section 502.111, Transportation Code, is  
5 transferred to Subchapter A, Chapter 520, Transportation Code,  
6 redesignated as Section 520.007, Transportation Code, and amended  
7 to read as follows:

8 Sec. 520.007 [~~502.111~~]. COUNTY BRANCH OFFICES. (a) The  
9 commissioners court of a county may authorize the county  
10 assessor-collector to:

11 (1) establish a suboffice or branch office for vehicle  
12 registration at one or more locations in the county other than the  
13 county courthouse; or

14 (2) appoint a deputy to register vehicles in the same  
15 manner and with the same authority as though done in the office of  
16 the assessor-collector.

17 (b) The report of vehicles registered through a suboffice or  
18 branch office shall be made through the office of the county  
19 assessor-collector.

20 SECTION 232. Section 502.114, Transportation Code, is  
21 transferred to Subchapter A, Chapter 520, Transportation Code,  
22 redesignated as Section 520.008, Transportation Code, and amended  
23 to read as follows:

24 Sec. 520.008 [~~502.114~~]. FULL-SERVICE DEPUTIES. (a) A  
25 full-service deputy appointed under Section 520.0091 [~~502.112~~]  
26 shall accept any application for registration, registration  
27 renewal, or title transfer that the county assessor-collector may

1 accept.

2 (b) A full-service deputy may charge and retain an  
3 additional motor vehicle registration fee not to exceed \$5 for each  
4 motor vehicle registration issued.

5 (c) A county assessor-collector may delegate to a  
6 full-service deputy, in the manner selected by the  
7 assessor-collector, the authority to use data processing equipment  
8 and software provided by the department for use in the titling and  
9 registration of motor vehicles. The department may not limit a  
10 county assessor-collector's ability to delegate the  
11 assessor-collector's functions regarding the titling and  
12 registration of motor vehicles to a qualified full-service deputy  
13 in the manner the assessor-collector considers appropriate.

14 SECTION 233. Section 502.113, Transportation Code, is  
15 transferred to Subchapter A, Chapter 520, Transportation Code,  
16 redesignated as Section 520.009, Transportation Code, and amended  
17 to read as follows:

18 Sec. 520.009 [~~502.113~~]. LIMITED-SERVICE DEPUTIES. (a) A  
19 limited-service deputy appointed under Section 520.0091 [~~502.112~~]  
20 may only accept registration renewals [~~renewal cards~~] provided by  
21 the department and may not prepare or accept an application for  
22 title transfer.

23 (b) The county assessor-collector may pay a limited-service  
24 deputy an amount not to exceed the fee the assessor-collector could  
25 collect under Section 520.006(a) [~~502.109(a)~~] for each  
26 registration receipt issued. The commissioners court of the county  
27 may permit a limited-service deputy to charge and retain an

1 additional fee not to exceed \$1 for each registration receipt  
2 issued by the deputy.

3 SECTION 234. Section 502.112, Transportation Code, is  
4 transferred to Subchapter A, Chapter 520, Transportation Code, and  
5 redesignated as Section 520.0091, Transportation Code, to read as  
6 follows:

7 Sec. 520.0091 [~~502.112~~]. DEPUTY ASSESSOR-COLLECTORS.

8 (a) A county assessor-collector, with the approval of the  
9 commissioners court of the county, may deputize an individual or  
10 business entity to:

11 (1) issue motor vehicle registration receipts as a  
12 limited-service deputy; or

13 (2) issue motor vehicle registration receipts and  
14 prepare or accept applications for title transfers as a  
15 full-service deputy.

16 (b) An individual or business entity is eligible to be  
17 deputized as a limited-service deputy if the person:

18 (1) is trained to issue registration receipts by the  
19 county assessor-collector; and

20 (2) posts a bond payable to the county  
21 assessor-collector:

22 (A) in an amount determined by the  
23 assessor-collector; and

24 (B) conditioned on the person's proper  
25 accounting and remittance of all fees the person collects.

26 (c) An individual or business entity is eligible to be  
27 deputized as a full-service deputy if the person:



1 (1) meets the requirements of Subsection (b); and

2 (2) has experience in title transfers.

3 (d) A person deputized under this section shall keep a  
4 separate account of the fees collected and a record of daily  
5 receipts.

6 SECTION 235. Section 501.136, Transportation Code, is  
7 transferred to Subchapter A, Chapter 520, Transportation Code,  
8 redesignated as Section 520.0092, Transportation Code, and amended  
9 to read as follows:

10 Sec. 520.0092 [~~501.136~~]. ACTS BY DEPUTY COUNTY  
11 ASSESSOR-COLLECTOR. A deputy county assessor-collector, other  
12 than a limited service deputy appointed under Section 520.0091  
13 [~~502.112~~], may perform the duties of an assessor-collector under  
14 Chapter 501 [~~this chapter~~].

15 SECTION 236. Section 520.002, Transportation Code, is  
16 redesignated as Section 520.0093, Transportation Code, and amended  
17 to read as follows:

18 Sec. 520.0093 [~~520.002~~]. LEASE OF ADDITIONAL COMPUTER  
19 EQUIPMENT. (a) This section applies only to the lease of equipment  
20 to a county for the operation of the automated registration and  
21 titling [~~title~~] system in addition to the equipment provided by the  
22 department at no cost to the county under a formula prescribed by  
23 the department.

24 (b) On the request of the tax assessor-collector of a  
25 county, the department may enter into an agreement with the  
26 commissioners court of that county under which the department  
27 leases additional equipment to the county for the use of the tax

1 assessor-collector in operating the automated registration and  
2 titling [~~title~~] system in that county.

3 (c) A county may install equipment leased under this section  
4 at offices of the county or of an agent of the county.

5 (d) Equipment leased under this section:

6 (1) remains the property of the department; and

7 (2) must be used primarily for the automated  
8 registration and titling [~~title~~] system.

9 (e) Under the agreement, the department shall charge [~~the~~  
10 ~~county~~] an amount not less than the amount of the cost to the  
11 department to provide the additional equipment and any related  
12 services under the lease. All money collected under the lease shall  
13 be deposited to the credit of the state highway fund.

14 SECTION 237. The heading to Subchapter B, Chapter 520,  
15 Transportation Code, is amended to read as follows:

16 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS [~~MOTOR NUMBER RECORD~~  
17 ~~REQUIREMENTS~~]

18 SECTION 238. Subchapter B, Chapter 520, Transportation  
19 Code, is amended by adding Section 520.015 to read as follows:

20 Sec. 520.015. INFORMATION CONSOLIDATION STUDY. (a) In  
21 consultation with the Department of Public Safety, the department  
22 shall conduct a study on the consolidation of similar information  
23 that is collected separately by each agency. The study should  
24 include recommendations that sufficiently protect the privacy of  
25 the public and the security and integrity of information provided.

26 (b) The study must be completed not later than September 1,  
27 2012.

1 SECTION 239. Section 520.036, Transportation Code, is  
2 transferred to Subchapter B, Chapter 520, Transportation Code,  
3 redesignated as Section 520.016, Transportation Code, and amended  
4 to read as follows:

5 Sec. 520.016 [~~520.036~~]. GENERAL PENALTY. (a) A person  
6 commits an offense if the person violates this subchapter in a  
7 manner for which a specific penalty is not provided.

8 (b) An offense under this section is a misdemeanor  
9 punishable by a fine of not less than \$50 and not more than \$200.

10 (c) This section does not apply to a violation of Section  
11 520.006, 520.008, 520.009, 520.0091, or 520.0092.

12 SECTION 240. Section 520.051(5), Transportation Code, is  
13 amended to read as follows:

14 (5) "Title service record" means the written or  
15 electronic record for each transaction in which a motor vehicle  
16 title service receives compensation.

17 SECTION 241. Section 548.052, Transportation Code, is  
18 amended to read as follows:

19 Sec. 548.052. VEHICLES NOT SUBJECT TO INSPECTION. This  
20 chapter does not apply to:

21 (1) a trailer, semitrailer, pole trailer, or mobile  
22 home moving under or bearing a current factory-delivery license  
23 plate or current in-transit license plate;

24 (2) a vehicle moving under or bearing a paper dealer  
25 in-transit tag, machinery license, disaster license, parade  
26 license, prorated tab, one-trip permit, vehicle temporary transit  
27 permit, antique license, temporary 24-hour permit, or permit

1 license;

2 (3) a trailer, semitrailer, pole trailer, or mobile  
3 home having an actual gross weight or registered gross weight of  
4 4,500 pounds or less;

5 (4) farm machinery, road-building equipment, a farm  
6 trailer, or a vehicle required to display a slow-moving-vehicle  
7 emblem under Section 547.703;

8 (5) a former military vehicle, as defined by Section  
9 504.502 [~~502.275~~];

10 (6) a vehicle qualified for a tax exemption under  
11 Section 152.092, Tax Code; or

12 (7) a vehicle for which a certificate of title has been  
13 issued but that is not required to be registered.

14 SECTION 242. Section 681.012(a-1), Transportation Code, is  
15 amended to read as follows:

16 (a-1) A peace officer may seize a disabled parking placard  
17 from a person who operates a vehicle on which a disabled parking  
18 placard is displayed if the peace officer determines by inspecting  
19 the person's driver's license or personal identification  
20 certificate that the disabled parking placard does not contain the  
21 first four digits of the driver's license number or personal  
22 identification certificate number and the initials of:

23 (1) the person operating the vehicle; [~~or~~]

24 (2) the applicant on behalf of a person being  
25 transported by the vehicle; or

26 (3) a person being transported by the vehicle.

27 SECTION 243. Subchapter B, Chapter 372, Transportation

1 Code, is amended by adding Section 372.054 to read as follows:

2 Sec. 372.054. REPORTING FAILURE TO PAY TOLL OR  
3 ADMINISTRATIVE FEE. (a) A toll project entity may report the  
4 failure to pay a toll or administrative fee to a county  
5 assessor-collector or the Texas Department of Motor Vehicles in  
6 order to deny registration of the nonpaying vehicle, as provided in  
7 Section 502.011.

8 (b) For purposes of this section "toll project entity" has  
9 the meaning assigned by Section 372.001, but does not include a  
10 county operating under Chapter 284 unless the commissioners court  
11 of the county adopts an order expressly electing to have this  
12 section apply to the county.

13 SECTION 244. Section 681.005, Transportation Code, is  
14 amended to read as follows:

15 Sec. 681.005. DUTIES OF COUNTY ASSESSOR-COLLECTOR. Each  
16 county assessor-collector shall send to the department[+]

17 [~~1~~] each fee collected under Section 681.003, to be  
18 deposited in the state highway fund to defray the cost of providing  
19 the disabled parking placard[+ and

20 [~~2~~] a copy of each application for a disabled parking  
21 placard].

22 SECTION 245. Section 728.002, Transportation Code, is  
23 amended by adding Subsection (d) to read as follows:

24 (d) This section does not prohibit the quoting of a price  
25 for a motor home, tow truck, or towable recreational vehicle at a  
26 show or exhibition described by Section 2301.358, Occupations Code.

27 SECTION 246. Section 386.251(c), Health and Safety Code, is

1 amended to read as follows:

2 (c) The fund consists of:

3 (1) the amount of money deposited to the credit of the  
4 fund under:

5 (A) Section 386.056;

6 (B) Sections 151.0515 and 152.0215, Tax Code; and

7 (C) Sections 501.138, 502.358 [~~502.1675~~], and  
8 548.5055, Transportation Code; and

9 (2) grant money recaptured under Section 386.111(d)  
10 and Chapter 391.

11 SECTION 247. Section 2302.201(a), Occupations Code, is  
12 amended to read as follows:

13 (a) Except as provided by Section 501.10025, Transportation  
14 Code, a [A] salvage vehicle dealer who acquires ownership of a  
15 salvage motor vehicle from an owner must receive from the owner a  
16 properly assigned title.

17 SECTION 248. Section 2302.204, Occupations Code, is amended  
18 to read as follows:

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

24 (1) the board shall adopt rules as necessary to  
25 regulate casual sales by salvage vehicle dealers, insurance  
26 companies, or salvage pool operators and to enforce this section;  
27 and

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

5           SECTION 249. Subchapter H, Chapter 2302, Occupations Code,  
6 is amended by adding Section 2302.354 to read as follows:

7           Sec. 2302.354. ADMINISTRATIVE PENALTY. (a) The department  
8 may impose an administrative penalty against a person licensed  
9 under this chapter who violates this chapter or a rule or order  
10 adopted under this chapter.

11           (b) The penalty may not be less than \$50 or more than \$1,000,  
12 and each day a violation continues or occurs is a separate violation  
13 for the purpose of imposing a penalty. The amount of the penalty  
14 shall be based on:

15           (1) the seriousness of the violation, including the  
16 nature, circumstances, extent, and gravity of the violation;

17           (2) the economic harm caused by the violation;

18           (3) the history of previous violations;

19           (4) the amount necessary to deter a future violation;

20           (5) efforts to correct the violation; and

21           (6) any other matter that justice requires.

22           (c) The person may stay enforcement during the time the  
23 order is under judicial review if the person pays the penalty to the  
24 court clerk or files a supersedeas bond with the court in the amount  
25 of the penalty. A person who cannot afford to pay the penalty or  
26 file the bond may stay enforcement by filing an affidavit in the  
27 manner required by the Texas Rules of Civil Procedure for a party

1 who cannot afford to file security for costs, subject to the right  
2 of the department to contest the affidavit as provided by those  
3 rules.

4 (d) A proceeding to impose an administrative penalty is  
5 subject to Chapter 2001, Government Code.

6 SECTION 250. Section 152.001, Tax Code, is amended by  
7 amending Subdivision (3) and adding Subdivision (20) to read as  
8 follows:

9 (3) "Motor vehicle [~~Vehicle~~]" includes:

10 (A) a self-propelled vehicle designed to  
11 transport persons or property on a public highway;

12 (B) a trailer and semitrailer, including a van,  
13 flatbed, tank, dumpster, dolly, jeep, stinger, auxiliary axle, or  
14 converter gear; [~~and~~]

15 (C) a house trailer as defined by Chapter 501,  
16 Transportation Code; and

17 (D) an off-road vehicle that is not required to  
18 be registered under Chapter 502, Transportation Code.

19 (20) "Off-road vehicle" means:

20 (A) an all-terrain vehicle or a recreational  
21 off-highway vehicle, as those terms are defined by Section 502.001,  
22 Transportation Code, provided that the vehicle may be designed by  
23 the manufacturer primarily for farming; or

24 (B) a motorcycle designed by the manufacturer for  
25 off-highway use.

26 SECTION 251. Section 152.091, Tax Code, is amended to read  
27 as follows:



1           Sec. 152.091. FARM OR TIMBER USE. (a) The taxes imposed by  
2 this chapter do not apply to the sale or use of [a]:

3           (1) a farm machine, a trailer, a [ex] semitrailer, or  
4 an off-road vehicle for use primarily for farming and ranching,  
5 including the rearing of poultry, and use in feedlots; or

6           (2) a machine, a trailer, a [ex] semitrailer, or an  
7 off-road vehicle for use primarily for timber operations.

8           (b)(1) The taxes imposed by this chapter do not apply to the  
9 purchase of [a]:

10           (A) a farm machine, a trailer, a [ex]  
11 semitrailer, or an off-road vehicle that is to be leased for use  
12 primarily for farming and ranching, including the rearing of  
13 poultry, and use in feedlots; or

14           (B) a machine, a trailer, a [ex] semitrailer, or  
15 an off-road vehicle that is to be leased for use primarily for  
16 timber operations.

17           (2) The exemption provided by this subsection applies  
18 only if the person purchasing the machine, trailer, [ex]  
19 semitrailer, or off-road vehicle to be leased presents the tax  
20 assessor-collector a form prescribed and provided by the  
21 comptroller showing:

22           (A) the identification of the motor vehicle;

23           (B) the name and address of the lessor and the  
24 lessee; and

25           (C) verification by the lessee that the machine,  
26 trailer, [ex] semitrailer, or off-road vehicle will be used  
27 primarily for:

1 (i) farming and ranching, including the  
2 rearing of poultry, and use in feedlots; or

3 (ii) timber operations.

4 (3) If a motor vehicle for which the tax has not been  
5 paid ceases to be leased for use primarily for farming and ranching,  
6 including the rearing of poultry, and use in feedlots or timber  
7 operations, the owner shall notify the comptroller on a form  
8 provided by the comptroller and shall pay the sales or use tax on  
9 the motor vehicle based on the owner's book value of the motor  
10 vehicle. The tax is imposed at the same percentage rate that is  
11 provided by Section 152.021(b).

12 (c) The taxes imposed by this chapter do not apply to the  
13 rental of a farm machine, a trailer, [~~or~~] a semitrailer, or an  
14 off-road vehicle for use primarily for farming and ranching,  
15 including the rearing of poultry, and use in feedlots, or a machine,  
16 a trailer, [~~or~~] a semitrailer, or an off-road vehicle for use  
17 primarily for timber operations. The tax that would have been  
18 remitted on gross rental receipts without this exemption shall be  
19 deemed to have been remitted for the purpose of calculating the  
20 minimum gross rental receipts imposed by Section 152.026. The  
21 exemption provided by this subsection applies only if the owner of  
22 the motor vehicle obtains in good faith an exemption certificate  
23 from the person to whom the vehicle is being rented.

24 (d) For purposes of this section, a machine or an off-road  
25 vehicle is used "primarily for timber operations" if the machine or  
26 off-road vehicle is a self-propelled motor vehicle that is  
27 specially adapted to perform a specialized function in the

1 production of timber, including land preparation, planting,  
2 maintenance, and gathering of trees commonly grown for commercial  
3 timber. The term does not include a self-propelled motor vehicle  
4 used to transport timber or timber products.

5 SECTION 252. The following provisions of the Transportation  
6 Code are repealed:

- 7 (1) Sections 501.026 and 501.075;
- 8 (2) Sections 501.094 and 501.133;
- 9 (3) Sections 501.134(e), (f), and (i);
- 10 (4) Sections 502.0074, 502.0075, 502.008, 502.104,  
11 502.105, 502.1535, 502.154, 502.175, 502.177, 502.206, 502.271,  
12 502.2862, and 502.2971;
- 13 (5) Sections 502.403 and 502.405;
- 14 (6) Section 502.407(c);
- 15 (7) Section 502.412(c);
- 16 (8) Sections 502.452, 502.453, 502.455, and 502.456;
- 17 (9) Section 504.201(h);
- 18 (10) Section 504.316(b);
- 19 (11) Section 504.401(b);
- 20 (12) Section 504.402(b);
- 21 (13) Section 504.403(b);
- 22 (14) Section 504.404(b);
- 23 (15) Section 504.405(b);
- 24 (16) Section 504.502(j);
- 25 (17) Section 504.506(f);
- 26 (18) Section 504.507(c);
- 27 (19) Section 504.508(d);

- 1           (20) Sections 504.624, 504.629, 504.634, 504.643,  
2 504.649, 504.650, 504.653, 504.655, and 504.701;  
3           (21) Section 504.702(c);  
4           (22) Section 504.851(k);  
5           (23) Section 504.854(c);  
6           (24) Sections 520.013 and 520.034; and  
7           (25) the headings to Subchapters C and D, Chapter 520.

8           SECTION 253. (a) Section 19, Chapter 1136, Acts of the 81st  
9 Legislature, Regular Session, 2009, is repealed.

10           (b) This section takes effect August 31, 2011.

11           SECTION 254. Section 501.0225, Transportation Code, as  
12 added by this Act, applies only to a person who purchases, imports,  
13 or otherwise acquires an off-road vehicle on or after the effective  
14 date of this Act. A person who purchases, imports, or otherwise  
15 acquires an off-road vehicle before the effective date of this Act  
16 is governed by the law in effect immediately before the effective  
17 date of this Act, and the former law is continued in effect for that  
18 purpose.

19           SECTION 255. Sections 152.001 and 152.091, Tax Code, as  
20 amended by this Act, do not affect tax liability accruing before the  
21 effective date of this Act. That liability continues in effect as  
22 if this Act had not been enacted, and the former law is continued in  
23 effect for the collection of taxes due and for civil and criminal  
24 enforcement of the liability for those taxes.

25           SECTION 256. Section 2302.354, Occupations Code, as added  
26 by this Act, applies only to a violation of Chapter 2302,  
27 Occupations Code, or a rule or order of the Texas Department of

1 Motor Vehicles adopted under that chapter, committed on or after  
2 the effective date of this Act. A violation committed before the  
3 effective date of this Act is governed by the law in effect when the  
4 violation was committed, and the former law is continued in effect  
5 for that purpose.

6 SECTION 257. (a) The change in law made by this Act applies  
7 only to an offense committed on or after January 1, 2012.

8 (b) An offense committed before January 1, 2012, is covered  
9 by the law in effect when the offense was committed, and the former  
10 law is continued in effect for that purpose. For purposes of this  
11 subsection, an offense was committed before January 1, 2012, if any  
12 element of the offense was committed before that date.

13 SECTION 258. To the extent of any conflict, this Act  
14 prevails over another Act of the 82nd Legislature, Regular Session,  
15 2011, relating to nonsubstantive additions to and corrections in  
16 enacted codes.

17 SECTION 259. Except as otherwise provided by this Act, this  
18 Act takes effect January 1, 2012.