

By: Pickett

H.B. No. 2357

Substitute the following for H.B. No. 2357:

By: Phillips

C.S.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. The heading to Section 501.023, Transportation  
16 Code, is amended to read as follows:

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

18 SECTION 10. Section 501.023, Transportation Code, is  
19 amended by amending Subsections (a), (b), and (c) and adding  
20 Subsection (e) to read as follows:

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

25 (1) to the county assessor-collector in the county in  
26 which:

27 (A) the owner is domiciled; or

1 (B) the motor vehicle is purchased or encumbered;  
2 or ~~[and]~~

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

7 (A) continues to be declared by the governor as a  
8 disaster area because the county has been rendered inoperable by  
9 the disaster; and

10 (B) is inoperable for a protracted period of time  
11 ~~[on a form prescribed by the department].~~

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

16 (c) The owner or a lessee of a commercial motor vehicle  
17 operating under the International Registration Plan or other  
18 agreement described by Section 502.091 ~~[502.054]~~ that is applying  
19 for a ~~[certificate of]~~ title for purposes of registration only may  
20 apply ~~[must be made]~~ directly to the department. Notwithstanding  
21 Section 501.138(a), an applicant for registration under this  
22 subsection shall pay ~~[the department]~~ the fee imposed by that  
23 section. The ~~[department shall send the]~~ fee shall be distributed  
24 to the appropriate county assessor-collector ~~[for distribution]~~ in  
25 the manner provided by Section 501.138.

26 (e) Applications submitted to the department electronically  
27 must request the purchaser's choice of county as stated in

1 Subsection (a) as the recipient of all taxes, fees, and other  
2 revenue collected as a result of the transaction.

3 SECTION 11. Sections 501.0234(a), (b), (d), and (e),  
4 Transportation Code, are amended to read as follows:

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

9 (1) except as provided by this section, in the time and  
10 manner provided by law, apply, in the name of the purchaser of the  
11 vehicle, for the registration of the vehicle, if the vehicle is to  
12 be registered, and a [~~certificate of~~] title for the vehicle and file  
13 with the appropriate designated agent each document necessary to  
14 transfer title to or register the vehicle; and at the same time

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

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

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

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

21 (A) a salvage vehicle title or salvage record of  
22 title issued under this chapter;

23 (B) a nonrepairable vehicle title or  
24 nonrepairable vehicle record of title issued under this chapter or  
25 Subchapter D, Chapter 683; or

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

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

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

5                    (4) purchased by a commercial fleet buyer who is a  
6 full-service deputy under Section 520.008 [~~502.114~~] and who  
7 utilizes the dealer title application process developed to provide  
8 a method to submit title transactions to the county in which the  
9 commercial fleet buyer is a full-service deputy.

10                  (d) A seller who applies for the registration or a  
11 [~~certificate of~~] title for a motor vehicle under Subsection (a)(1)  
12 shall apply in the county as directed by the purchaser from the  
13 counties set forth in Section 501.023 [~~of this code~~].

14                  (e) The department shall develop [~~promulgate~~] a form or  
15 electronic process in [~~on~~] which the purchaser of a motor vehicle  
16 shall designate the purchaser's choice as set out in Section  
17 501.023 as the recipient of all taxes, fees, and other revenue  
18 collected as a result of the transaction, which the tax  
19 assessor-collector is authorized by law to retain. A seller shall  
20 make that form or electronic process available to the purchaser of a  
21 vehicle at the time of purchase.

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

24                  Sec. 501.0235. PERSONAL IDENTIFICATION INFORMATION FOR  
25 OBTAINING TITLE. (a) The department may require an applicant for a  
26 title to provide current personal identification as determined by  
27 department rule.

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

4        SECTION 13. Section 501.024, Transportation Code, is  
5 amended to read as follows:

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

11            (1) the requirements of this chapter are met,  
12 including the payment of the fees required under Section 501.138;  
13 and

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

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

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

27            [~~(1) mark one receipt "original" and mail or deliver~~

1 ~~it to the first lienholder disclosed on the application, and~~  
2 ~~[(2) mark the second receipt "duplicate original" and~~  
3 ~~mail or deliver it to the address of the applicant provided on the~~  
4 ~~application].~~

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

9 SECTION 14. Section 501.025, Transportation Code, is  
10 amended to read as follows:

11 Sec. 501.025. [~~TITLE RECEIPT REQUIRED ON FIRST SALE,~~]  
12 MANUFACTURER'S CERTIFICATE REQUIRED ON FIRST SALE. A county  
13 assessor-collector may not issue a title receipt on the first sale  
14 of a motor vehicle unless the applicant for the [~~certificate of~~]  
15 title provides [~~to the assessor-collector~~] the application for a  
16 [~~certificate of~~] title and a manufacturer's certificate in [~~, on~~]  
17 manner [~~form~~] prescribed by the department [~~, that:~~

18 [~~(1) is assigned to the applicant by the manufacturer,~~  
19 ~~distributor, or dealer shown on the manufacturer's certificate as~~  
20 ~~the last transferee, and~~

21 [~~(2) shows the transfer of the vehicle from its~~  
22 ~~manufacturer to the purchaser, whether a distributor, dealer, or~~  
23 ~~owner, and each subsequent transfer from distributor to dealer,~~  
24 ~~dealer to dealer, and dealer to applicant].~~

25 SECTION 15. Section 501.027, Transportation Code, is  
26 amended to read as follows:

27 Sec. 501.027. ISSUANCE OF [~~CERTIFICATE OF~~] TITLE. (a) On

1 the day that a county assessor-collector issues a title receipt, a  
2 copy of the title receipt and all evidence of title [~~the~~  
3 ~~assessor-collector~~] shall be submitted [~~mail~~] to the department in  
4 the period specified in Section 501.023(b) [~~+~~

5 ~~(1) a copy of the receipt, and~~  
6 ~~(2) the evidence of title delivered to the~~  
7 ~~assessor-collector by the applicant].~~

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

11 (1) the [~~, the department shall issue the certificate~~  
12 ~~of~~] title shall be issued to the first lienholder or to the  
13 applicant if [~~. If~~] a lien is not disclosed on the application; or

14 (2) [~~]~~ the department shall notify [~~send the~~  
15 ~~certificate by first class mail to~~] the applicant that the  
16 department's titling system has established a record of title of  
17 the motor vehicle in the applicant's name if a lien is not disclosed  
18 [~~at the address provided on the application~~]. If a lien is  
19 disclosed on the application, the department shall notify [~~send~~]  
20 the [~~certificate by first class mail to the first~~] lienholder that  
21 the lien has been recorded [~~as disclosed on the application~~].

22 SECTION 16. Section 501.0275, Transportation Code, is  
23 amended to read as follows:

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

25 (a) The department shall issue a [~~certificate of~~] title for a  
26 motor vehicle that complies with the other requirements [~~for~~  
27 ~~issuance of a certificate of title~~] under this chapter unless



1 ~~[except that]~~:

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

4 (2) the applicant does not provide evidence of  
5 financial responsibility that complies with Section 502.046  
6 ~~[502.153]~~.

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

12 SECTION 17. Section 501.0276, Transportation Code, is  
13 amended to read as follows:

14 Sec. 501.0276. DENIAL OF TITLE RECEIPT, ~~[OR CERTIFICATE OF]~~  
15 TITLE, OR RECORD OF TITLE FOR FAILURE TO PROVIDE PROOF OF EMISSIONS  
16 TESTING. A county assessor-collector may not issue a title receipt  
17 and the department may not issue a certificate of title for a  
18 vehicle subject to Section 548.3011 unless proof that the vehicle  
19 has passed a vehicle emissions test as required by that section, in  
20 a manner ~~[form]~~ authorized by that section, is presented to the  
21 county assessor-collector with the application for a ~~[certificate~~  
22 ~~of]~~ title.

23 SECTION 18. Section 501.029, Transportation Code, is  
24 amended to read as follows:

25 Sec. 501.029. ACCEPTABLE PROOF OF OWNERSHIP ~~[USE OF~~  
26 ~~REGISTRATION RECEIPT OR TITLE RECEIPT TO EVIDENCE TITLE]~~. ~~[(a) A~~  
27 ~~person may use a registration receipt issued under Chapter 502 or a~~

1 ~~title receipt to evidence title to a motor vehicle and not to~~  
2 ~~transfer an interest in or establish a lien on the vehicle.~~

3       ~~[(b)]~~ The board ~~[department]~~ by rule may provide a list of  
4 the documents required for the issuance of a receipt that evidences  
5 title to a motor vehicle for registration purposes only. The fee  
6 for application for the receipt is the fee applicable to  
7 application for a ~~[certificate of]~~ title. The title receipt may not  
8 be used to transfer an interest in or establish a lien on the  
9 vehicle.

10       SECTION 19. Sections 501.030(b), (d), (e), (f), and (g),  
11 Transportation Code, are amended to read as follows:

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

15               (1) provide to the assessor-collector:

16                       (A) a bond release letter, with all attachments,  
17 issued by the United States Department of Transportation  
18 acknowledging:

19                               (i) receipt of a statement of compliance  
20 submitted by the importer of the vehicle; and

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

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

27                       (C) a receipt or certificate issued by the United

1 States Department of the Treasury showing that all gas guzzler  
2 taxes due on the vehicle under 26 U.S.C. Section 4064(a) have been  
3 paid; or

4 (2) provide to the assessor-collector proof,  
5 satisfactory to the department, [~~assessor-collector~~] that the  
6 vehicle was not brought into the United States from outside [~~of~~] the  
7 country.

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

11 (1) a manufacturer's certificate of origin written in  
12 English issued by the vehicle manufacturer;

13 (2) the original documents that constitute valid proof  
14 of ownership in the country where the vehicle was originally  
15 purchased, with an English translation of the documents verified as  
16 to the accuracy of the translation by an affidavit of the  
17 translator; or

18 (3) if the vehicle was imported from a country that  
19 cancels the vehicle registration and title for export, the  
20 documents assigned to the vehicle after the registration and title  
21 were canceled, with an English translation of the documents  
22 verified as to the accuracy of the translation by an affidavit of  
23 the translator.

24 (e) Before a motor vehicle that is required to be registered  
25 in this state and that is brought into this state by a person other  
26 than a manufacturer or importer may be bargained, sold,  
27 transferred, or delivered with an intent to pass an interest in the

1 vehicle or encumbered by a lien, the owner must apply for a  
2 [~~certificate of~~] title in [~~on~~] a manner [~~form~~] prescribed by the  
3 department to the county assessor-collector for the county in which  
4 the transaction is to take place. The assessor-collector may not  
5 issue a title receipt unless the applicant delivers to the  
6 assessor-collector satisfactory evidence [~~of title~~] showing that  
7 the applicant is the owner of the vehicle and that the vehicle is  
8 free of any undisclosed liens.

9 (f) A county assessor-collector may not be held liable for  
10 civil damages arising out of the assessor-collector's failure to  
11 reflect on the title receipt a lien or encumbrance on a motor  
12 vehicle to which Subsection (e) applies unless the  
13 [~~assessor-collector's~~] failure constitutes wilful or wanton  
14 negligence.

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

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

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

20 SECTION 20. Section 501.031, Transportation Code, is  
21 amended to read as follows:

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

25 (1) provides [~~provide~~] that if the agreement is  
26 between [~~signed by~~] two or more eligible persons, the motor vehicle  
27 is held jointly by those persons with the interest of a person who

1 dies to transfer [~~survive~~] to the surviving person or persons; and

2 (2) provides [~~provide blanks~~] for the acknowledgment  
3 by signature, either electronically or by hand, [~~signatures~~] of the  
4 persons.

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

8 (1) rights of survivorship agreement acknowledged  
9 [~~signed~~] by all the persons; or

10 (2) remark if a rights of survivorship agreement is  
11 [~~surrendered with the application for certificate of title or~~  
12 ~~otherwise~~] on file with the department.

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

15 (1) by all the persons acting jointly, if all the  
16 persons are alive; and

17 (2) on the death of one of the persons by the surviving  
18 person or persons by transferring ownership of the vehicle [~~the~~  
19 ~~certificate of title~~], in the manner otherwise required by law [~~for~~  
20 ~~transfer of ownership of the vehicle~~], with a copy of the death  
21 certificate of the deceased person [~~attached to the certificate of~~  
22 ~~title application~~].

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

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

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

5 (2) is unmarried and attests to that unmarried status  
6 by affidavit; or

7 (3) is married and provides the department with an  
8 affidavit from the ~~[signing]~~ person's spouse that attests that the  
9 ~~[signing]~~ person's interest in the vehicle is the ~~[signing]~~  
10 person's separate property.

11 (f) The department may develop an optional electronic ~~[If~~  
12 ~~the title is being issued in connection with the sale of the~~  
13 ~~vehicle, the seller is not eligible to sign a]~~ rights of  
14 survivorship agreement for public use ~~[under this section unless~~  
15 ~~the seller is the child, grandchild, parent, grandparent, brother,~~  
16 ~~or sister of each other person signing the agreement. A family~~  
17 ~~relationship required by this subsection may be a relationship~~  
18 ~~established by adoption.~~

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

26 SECTION 21. Section 501.032, Transportation Code, is  
27 amended to read as follows:

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

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

11           (2) a vehicle identification ~~[the serial]~~ number  
12 die-stamped by the manufacturer has been lost, removed, or  
13 obliterated.

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

18           (c) The manufacturer's vehicle identification ~~[serial]~~  
19 number or the vehicle identification ~~[serial]~~ number assigned by  
20 the department shall be affixed on the carriage or axle part of the  
21 travel ~~[house]~~ trailer, trailer, or semitrailer. The department  
22 shall use the number as the major identification of the vehicle in  
23 the issuance of a ~~[certificate of]~~ title.

24           SECTION 22. Sections 501.033(a), (b), and (d),  
25 Transportation Code, are amended to read as follows:

26           (a) A person determined by law enforcement ~~[the department]~~  
27 or a court to be the owner of a motor vehicle, a part of a motor

1 vehicle, or an item of equipment including a tractor, farm  
2 implement, unit of special mobile equipment, or unit of off-road  
3 construction equipment [~~that has had the serial number removed,~~  
4 ~~altered, or obliterated~~] may apply to the department for an  
5 assigned vehicle identification number that has been removed,  
6 altered, or obliterated.

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

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

16 SECTION 23. Section 520.011, Transportation Code, is  
17 transferred to Subchapter B, Chapter 501, Transportation Code,  
18 redesignated as Section 501.0331, Transportation Code, and amended  
19 to read as follows:

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

26 [~~(b) A person commits an offense if the person violates this~~  
27 ~~section. An offense under this subsection is a misdemeanor~~



1 ~~punishable by a fine of not less than \$50 and not more than \$100.]~~

2 SECTION 24. Section 520.012, Transportation Code, is  
3 transferred to Subchapter B, Chapter 501, Transportation Code,  
4 redesignated as Section 501.0332, Transportation Code, and amended  
5 to read as follows:

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

11 (b) The department shall maintain a record of [~~separate~~  
12 ~~register for recording~~] each motor number assigned by the  
13 department that includes [~~For each motor number assigned by the~~  
14 ~~department, the record must indicate~~]:

- 15 (1) the motor number assigned by the department;  
16 (2) the name and address of the owner of the motor  
17 vehicle; and  
18 (3) the make, model, and year of manufacture of the  
19 motor vehicle.

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

23 SECTION 25. Section 501.034, Transportation Code, is  
24 amended to read as follows:

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

1 (1) forfeited to the government agency;

2 (2) delivered by court order under the Code of  
3 Criminal Procedure to a government agency for official purposes; or

4 (3) sold as abandoned or unclaimed property under the  
5 Code of Criminal Procedure.

6 SECTION 26. Section 501.035, Transportation Code, is  
7 amended to read as follows:

8 Sec. 501.035. [~~CERTIFICATE OF~~] TITLE FOR FORMER MILITARY  
9 VEHICLE. (a) Notwithstanding any other law, the department shall  
10 issue a [~~certificate of~~] title for a former military vehicle [~~that~~  
11 ~~is not registered under the laws of this state~~] if all [~~other~~]  
12 requirements for issuance of a [~~certificate of~~] title are met.

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

15 SECTION 27. Section 501.036, Transportation Code, is  
16 amended to read as follows:

17 Sec. 501.036. [~~CERTIFICATE OF~~] TITLE FOR FARM SEMITRAILER.  
18 (a) Notwithstanding any other provision of this chapter, the  
19 department may issue a [~~certificate of~~] title for a farm  
20 semitrailer with a gross weight of more than 4,000 pounds if:

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

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

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

27 (1) apply for the [~~certificate of~~] title in the manner

1 required by Section 501.023; and

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

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

5 SECTION 28. Section 501.051, Transportation Code, is  
6 amended to read as follows:

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

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

14 (2) the applicant failed to furnish required  
15 information requested by the department;

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

18 (4) the department has reason to believe that the  
19 motor vehicle is stolen;

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

23 (6) the registration for the motor vehicle is  
24 suspended or revoked; or

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

26 (b) The department may rescind, cancel, or revoke an  
27 application for a title if a notarized affidavit is presented

1 containing:

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

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

6 (3) a statement that the vehicle:

7 (A) was never in the possession of the title  
8 applicant; or

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

10 and

11 (4) the signatures of the dealer, the applicant, and  
12 any lienholder.

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

17 SECTION 29. The heading to Section 501.052, Transportation  
18 Code, is amended to read as follows:

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

21 SECTION 30. Sections 501.052(a), (d), and (e),  
22 Transportation Code, are amended to read as follows:

23 (a) An interested person aggrieved by a refusal,  
24 rescission, cancellation, suspension, or revocation under Section  
25 501.051 may apply for a hearing to the county assessor-collector  
26 for the county in which the person is a resident [~~domiciled~~]. On  
27 the day an assessor-collector receives the application, the

1 assessor-collector shall notify the department of the date of the  
2 hearing.

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

7 (e) An applicant aggrieved by the determination under  
8 Subsection (d) may appeal to the county court of the county of the  
9 applicant's residence. An applicant must file an appeal not later  
10 than the fifth day after the date of the assessor-collector's  
11 determination. The county court judge shall try the appeal in the  
12 manner of other civil cases. All rights and immunities granted in  
13 the trial of a civil case are available to the interested parties.  
14 If the department's action is not sustained, the department shall  
15 promptly issue a [~~certificate of~~] title for the vehicle.

16 SECTION 31. Section 501.053, Transportation Code, is  
17 amended by amending Subsections (a), (b), and (d) and adding  
18 Subsection (e) to read as follows:

19 (a) As an alternative to the procedure provided by Section  
20 501.052, the person may file a bond with the department. On the  
21 filing of the bond the person [~~department~~] may obtain a [~~issue the~~  
22 ~~certificate of~~] title.

23 (b) The bond must be:

- 24 (1) in the manner [~~form~~] prescribed by the department;  
25 (2) executed by the applicant;  
26 (3) issued by a person authorized to conduct a surety  
27 business in this state;

1           (4) in an amount equal to one and one-half times the  
2 value of the vehicle as determined by the department, which may set  
3 an appraisal system by rule if it is unable to determine that value;  
4 and

5           (5) conditioned to indemnify all prior owners and  
6 lienholders and all subsequent purchasers of the vehicle or persons  
7 who acquire a security interest in the vehicle, and their  
8 successors in interest, against any expense, loss, or damage,  
9 including reasonable attorney's fees, occurring because of the  
10 issuance of the [~~certificate of~~] title for the vehicle or for a  
11 defect in or undisclosed security interest on the right, title, or  
12 interest of the applicant to the vehicle.

13           (d) A bond under this section expires on the third  
14 anniversary of the date the bond became effective. [~~The department~~  
15 ~~shall return an expired bond to the person who filed the bond unless~~  
16 ~~the department has been notified of a pending action to recover on~~  
17 ~~the bond.~~]

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

20           SECTION 32. Section 501.071, Transportation Code, is  
21 amended to read as follows:

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

27           (b) The transfer of the [~~certificate of~~] title must be in

1 ~~[on]~~ a manner ~~[form]~~ prescribed by the department that ~~[includes a~~  
2 ~~statement that]~~:

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

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

8 SECTION 33. Section 520.022, Transportation Code, is  
9 transferred to Subchapter D, Chapter 501, Transportation Code,  
10 redesignated as Section 501.0721, Transportation Code, and amended  
11 to read as follows:

12 Sec. 501.0721 ~~[520.022]~~. DELIVERY OF RECEIPT AND TITLE TO  
13 PURCHASER OF USED MOTOR VEHICLE ~~[TRANSFeree; PENALTY]~~. ~~[(a)]~~ A  
14 person, whether acting for that person or another, who sells,  
15 trades, or otherwise transfers a used motor vehicle shall deliver  
16 to the purchaser ~~[transferee]~~ at the time of delivery of the vehicle  
17 ~~[+~~

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

21 ~~[(2)]~~ a properly assigned ~~[certificate of]~~ title or  
22 other evidence of title as required under this chapter ~~[Chapter~~  
23 ~~501]~~.

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

27 SECTION 34. Sections 501.074(a), (b), and (c),

1 Transportation Code, are amended to read as follows:

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

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

9 (2) letters testamentary or letters of  
10 administration;

11 (3) if administration of an estate is not necessary,  
12 an affidavit showing that administration is not necessary,  
13 identifying all heirs, and including a statement by the heirs of the  
14 name in which the certificate shall be issued;

15 (4) a court order; or

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

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

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

25 (1) the affidavit of the lienholder of the fact of the  
26 creation of the lien and of the divestiture of title according to  
27 law; and



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

3           SECTION 35. Section 501.076(c), Transportation Code, is  
4 amended to read as follows:

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

7           (1) the person may be a person who has been appointed  
8 by the commissioners [~~commissioner's~~] court as a deputy to perform  
9 vehicle registration functions under Section 520.0091 [~~502.112~~], a  
10 licensed [~~license~~] vehicle auction company holding a wholesale  
11 general distinguishing number under Section 503.022, a person who  
12 has a permit similar to one of the foregoing that is issued by the  
13 state in which the owner is located, or another person authorized by  
14 law to execute title documents in the state in which the owner  
15 executes the documents; and

16           (2) the person may not be the transferee or an employee  
17 of the transferee. The person may not act as the agent of both the  
18 transferor and transferee in the transaction. For the purposes of  
19 this section, a person is not the agent of both the transferor and  
20 transferee in a transaction unless the person has the authority to  
21 sign the documents pertaining to the transfer of title on behalf of  
22 both the transferor and the transferee.

23           SECTION 36. Section 501.091, Transportation Code, is  
24 amended by amending Subdivisions (2), (3), (6), (7), (8), (9),  
25 (10), (12), (14), (15), (16), (17), and (18) and adding  
26 Subdivisions (10-a) and (16-a) to read as follows:

27           (2) "Casual sale" means the sale by a salvage vehicle

1 dealer or an insurance company of five or fewer [~~not more than five~~]  
2 nonrepairable motor vehicles or salvage motor vehicles to the same  
3 person during a calendar year, but [~~The term~~] does not include:

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

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

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

10 (3) "Damage" means sudden damage to a motor vehicle  
11 caused by the motor vehicle being wrecked, burned, flooded, or  
12 stripped of major component parts. The term does not include:

13 (A) gradual damage from any cause;

14 (B) [~~7~~] sudden damage caused by hail;

15 (C) [~~7 or~~] any damage caused only to the exterior  
16 paint of the motor vehicle; or

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

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

21 (A) the engine;

22 (B) the transmission;

23 (C) the frame;

24 (D) a fender;

25 (E) the hood;

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

- 1 (G) a bumper;
- 2 (H) a quarter panel;
- 3 (I) a deck lid, tailgate, or hatchback;
- 4 (J) the cargo box of a vehicle with a gross  
5 vehicle weight of 10,000 pounds or less [~~one-ton or smaller truck~~],  
6 including a pickup truck;
- 7 (K) the cab of a truck;
- 8 (L) the body of a passenger motor vehicle;
- 9 (M) the roof or floor pan of a passenger motor  
10 vehicle, if separate from the body of the motor vehicle.
- 11 (7) "Metal recycler" means a person who:
- 12 (A) is [~~predominately~~] engaged in the business of  
13 obtaining, converting, or selling ferrous or nonferrous metal [~~that~~  
14 ~~has served its original economic purpose to convert the metal, or~~  
15 ~~sell the metal~~] for conversion[~~7~~] into raw material products  
16 consisting of prepared grades and having an existing or potential  
17 economic value;
- 18 (B) has a facility to convert ferrous or  
19 nonferrous metal into raw material products [~~consisting of prepared~~  
20 ~~grades and having an existing or potential economic value,~~] by  
21 method other than the exclusive use of hand tools, including the  
22 processing, sorting, cutting, classifying, cleaning, baling,  
23 wrapping, shredding, shearing, or changing the physical form or  
24 chemical content of the metal; and
- 25 (C) sells or purchases the ferrous or nonferrous  
26 metal solely for use as raw material in the production of new  
27 products.

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

3 (9) "Nonrepairable motor vehicle" means a motor  
4 vehicle that:

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

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

11 (10) "Nonrepairable vehicle title" means a printed  
12 document issued by the department that evidences ownership of a  
13 nonrepairable motor vehicle.

14 (10-a) "Nonrepairable record of title" means an  
15 electronic record of ownership of a nonrepairable motor vehicle.

16 (12) "Out-of-state ownership document" means a  
17 negotiable document issued by another state or jurisdiction that  
18 the department considers sufficient to prove ownership of a  
19 nonrepairable motor vehicle or salvage motor vehicle and to support  
20 the issuance of a comparable Texas [~~certificate of~~] title for the  
21 motor vehicle. The term does not include any [~~a~~] title or  
22 certificate issued by the department [~~, including a regular~~  
23 ~~certificate of title, a nonrepairable vehicle title, a salvage~~  
24 ~~vehicle title, a Texas Salvage Certificate, Certificate of~~  
25 ~~Authority to Demolish a Motor Vehicle, or another ownership~~  
26 ~~document issued by the department~~].

27 (14) "Rebuilder" means a person who acquires and

1 repairs, rebuilds, or reconstructs for operation on a public  
2 highway, [~~three or~~] more than five salvage motor vehicles in a  
3 calendar year.

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

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

6 (A) [~~(i)~~] has damage to or is missing a major  
7 component part to the extent that the cost of repairs, including  
8 parts and labor other than the cost of materials and labor for  
9 repainting the motor vehicle and excluding sales tax on the total  
10 cost of repairs, exceeds the actual cash value of the motor vehicle  
11 immediately before the damage; or

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

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

21 [~~(i) the cost of repairing hail damage; or~~

22 [~~(ii) theft, unless the motor vehicle was~~  
23 ~~damaged during the theft and before recovery to the extent~~  
24 ~~described by Paragraph (A)(i)].~~

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

1           (16-a) "Salvage record of title" means an electronic  
2 record of ownership of a salvage motor vehicle.

3           (17) "Salvage vehicle dealer" means a person engaged  
4 in this state in the business of acquiring, selling, repairing,  
5 rebuilding, reconstructing, or otherwise dealing in nonrepairable  
6 motor vehicles, salvage motor vehicles, or, if incidental to a  
7 salvage motor vehicle dealer's primary business, used automotive  
8 parts regardless of whether the person holds a license issued by the  
9 department to engage in that business. The term does not include an  
10 unlicensed [a] person who:

11           (A) casually repairs, rebuilds, or reconstructs  
12 not more [fewer] than five nonrepairable motor vehicles or salvage  
13 motor vehicles in the same calendar year [or, except as provided by  
14 Paragraph (C), a used automotive parts recycler. The term includes  
15 a person engaged in the business of:

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

19           (B) buys not more than five [dealing in]  
20 nonrepairable motor vehicles or salvage motor vehicles in the same  
21 calendar year; or

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

26           (18) "Self-insured motor vehicle" means a motor  
27 vehicle for which the ~~[evidence of ownership is a manufacturer's~~

1 ~~certificate of origin or for which the department or another state~~  
2 ~~or jurisdiction has issued a regular certificate of title, is~~  
3 ~~self-insured by the] owner [~~and is owned by an individual, a~~~~  
4 ~~business,~~] or a governmental entity assumes full financial  
5 responsibility for motor vehicle loss claims~~[7]~~ without regard to  
6 the number of motor vehicles they own or operate. The term does not  
7 include a motor vehicle that is insured by an insurance company.

8 SECTION 37. Section 501.098, Transportation Code, is  
9 redesignated as Section 501.09111, Transportation Code, and  
10 amended to read as follows:

11 Sec. 501.09111 [~~501.098~~]. RIGHTS AND LIMITATIONS OF [HOLDER  
12 ~~OF] NONREPAIRABLE VEHICLE TITLE, NONREPAIRABLE RECORD OF TITLE,  
13 [OR] SALVAGE VEHICLE TITLE, OR SALVAGE RECORD OF TITLE. (a) A  
14 person who owns [~~holds~~] a nonrepairable [~~vehicle title for a~~] motor  
15 vehicle:~~

16 (1) is entitled to possess, transport, dismantle,  
17 scrap, destroy, record a lien as provided for in Section  
18 501.097(a)(3)(A), and sell, transfer, or release ownership of the  
19 motor vehicle or a used part from the motor vehicle; and

20 (2) may not:

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

24 (B) repair, rebuild, or reconstruct the motor  
25 vehicle; or

26 (C) register the motor vehicle.

27 (b) A person who holds a nonrepairable certificate of title

1 issued prior to September 1, 2003, [+

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

4 [~~(A)~~] repair, rebuild, or reconstruct the motor  
5 vehicle [+

6 [~~(B)~~ possess, transport, dismantle, scrap, or  
7 destroy the motor vehicle; and

8 [~~(C)~~ sell, transfer, or release ownership of the  
9 vehicle or a used part from the motor vehicle; and

10 [~~(2)~~ may not:

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

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

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

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

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

24 SECTION 38. Section 501.103, Transportation Code, is  
25 redesignated as Section 501.09112, Transportation Code, and  
26 amended to read as follows:

27 Sec. 501.09112 [~~501.103~~]. APPEARANCE [~~COLOR~~] OF



1 NONREPAIRABLE VEHICLE TITLE OR SALVAGE VEHICLE TITLE. (a) The  
2 department's printed [~~department shall print a~~] nonrepairable  
3 vehicle title must [+

4 [~~(1) in a color that distinguishes it from a regular~~  
5 ~~certificate of title or salvage vehicle title; and~~

6 [~~(2) so that it~~] clearly indicate [~~shows~~] that it is  
7 the negotiable ownership document for a nonrepairable motor  
8 vehicle.

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

11 (1) may not be:

12 (A) issued a regular [~~certificate of~~] title;

13 (B) registered in this state; or

14 (C) repaired, rebuilt, or reconstructed; and

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

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

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

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

23 (d) A salvage vehicle title or a salvage record of title for  
24 a vehicle that is a salvage motor vehicle because of damage caused  
25 exclusively by flood must bear a notation [~~on its face~~] that the  
26 department considers appropriate. If the title for a motor vehicle  
27 reflects the notation required by this subsection, the owner may

1 sell, transfer, or release the motor vehicle only as provided by  
2 this subchapter.

3 (e) An electronic application for a nonrepairable vehicle  
4 title, nonrepairable record of title, salvage vehicle title, or  
5 salvage record of title must clearly advise the applicant of the  
6 same provisions required on a printed title.

7 (f) A nonrepairable vehicle title, nonrepairable record of  
8 title, salvage vehicle title, or salvage record of title in the  
9 department's electronic database must include appropriate remarks  
10 so that the vehicle record clearly shows the status of the vehicle  
11 ~~[(e) The department may provide a stamp to a person who is a~~  
12 ~~licensed salvage vehicle dealer under Chapter 2302, Occupations~~  
13 ~~Code, to mark the face of a title under this subchapter. The~~  
14 ~~department shall provide the stamp to the person for a fee in the~~  
15 ~~amount determined by the department to be necessary for the~~  
16 ~~department to recover the cost of providing the stamp].~~

17 SECTION 39. Section 501.101, Transportation Code, is  
18 redesignated as Section 501.09113, Transportation Code, and  
19 amended to read as follows:

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

- 26 (1) a "rebuilt," "salvage," or similar notation; or  
27 (2) a "nonrepairable," "dismantle only," "parts

1 only," "junked," "scrapped," or similar notation.

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

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

7 [~~(1) the date of issuance,~~

8 [~~(2) the name and address of the owner,~~

9 [~~(3) any registration number assigned to the motor  
10 vehicle; and~~

11 [~~(4) a description of the motor vehicle or other  
12 notation the department considers necessary or appropriate.]~~

13 SECTION 40. The heading to Section 501.095, Transportation  
14 Code, is amended to read as follows:

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

17 SECTION 41. Sections 501.095(a) and (b), Transportation  
18 Code, are amended to read as follows:

19 (a) If the department has not issued a nonrepairable vehicle  
20 title, nonrepairable record of title, [~~or~~] salvage vehicle title,  
21 or salvage record of title for the motor vehicle and a comparable  
22 [~~an~~] out-of-state ownership document for the motor vehicle has not  
23 been issued by another state or jurisdiction, a business or  
24 governmental entity described by Subdivisions (1)-(3) may sell,  
25 transfer, or release a nonrepairable motor vehicle or salvage motor  
26 vehicle only to a person who is:

27 (1) a licensed salvage vehicle dealer, a used

1 automotive parts recycler under Chapter 2309, Occupations Code, or  
2 a metal recycler under Chapter 2302, Occupations Code;

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

5 (3) a governmental entity[~~+~~];

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

7 (b) An owner [~~A person~~], other than a salvage vehicle  
8 dealer, a used automotive parts recycler, or an insurance company  
9 licensed to do business in this state, who acquired ownership of a  
10 nonrepairable or salvage motor vehicle that has not been issued a  
11 nonrepairable vehicle title, nonrepairable record of title,  
12 salvage vehicle title, salvage record of title, or a comparable  
13 ownership document issued by another state or jurisdiction shall,  
14 before selling the motor vehicle, surrender the properly assigned  
15 [~~certificate of~~] title for the motor vehicle to the department and  
16 apply to the department for the appropriate ownership document[~~+~~

17 [~~(1) a nonrepairable vehicle title if the vehicle is a~~  
18 ~~nonrepairable motor vehicle; or~~

19 [~~(2) a salvage vehicle title if the vehicle is a~~  
20 ~~salvage motor vehicle~~].

21 SECTION 42. Section 501.097, Transportation Code, is  
22 amended by amending Subsections (a) and (c) and adding Subsection  
23 (c-1) to read as follows:

24 (a) An application for a nonrepairable vehicle title,  
25 nonrepairable record of title, [~~or~~] salvage vehicle title, or  
26 salvage record of title must:

27 (1) be made in [~~on~~] a manner [~~form~~] prescribed by the

1 department and accompanied by a \$8 application fee;

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

4 (A) the name and current address of the owner;  
5 and

6 (B) a description of the motor vehicle, including  
7 the make, style of body, model year, and vehicle identification  
8 number [~~;~~ ~~and~~

9 [~~(C) a statement describing whether the motor  
10 vehicle:~~

11 [~~(i) was the subject of a total loss claim  
12 paid by an insurance company under Section 501.092 or 501.093;~~

13 [~~(ii) is a self-insured motor vehicle under  
14 Section 501.094;~~

15 [~~(iii) is an export-only motor vehicle  
16 under Section 501.099; or~~

17 [~~(iv) was sold, transferred, or released to  
18 the owner or former owner of the motor vehicle or a buyer at a casual  
19 sale]; and~~

20 (3) include the name and address of:

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

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

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

27 (1) may not:

- 1 (A) be repaired, rebuilt, or reconstructed;  
2 (B) be issued a [~~regular certificate of~~] title or  
3 registered in this state;  
4 (C) be operated on a public highway, in addition  
5 to any other requirement of law; and  
6 (2) may only be used as a source for used parts or  
7 scrap metal.

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

11 SECTION 43. Sections 501.100(a), (b), (c), and (f),  
12 Transportation Code, are amended to read as follows:

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

21 (1) describes each major component part used to repair  
22 the motor vehicle;

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

25 (3) [~~2~~] shows the identification number required by  
26 federal law to be affixed to or inscribed on the part.

27 (b) On receipt of a complete application under this section

1 accompanied by the [~~\$13~~] fee for the [~~certificate of~~] title, the  
2 department shall issue the applicant a [~~regular certificate of~~]  
3 title [~~for the motor vehicle~~].

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

6 [~~(1)~~] describe or disclose the motor vehicle's former  
7 condition in a manner reasonably understandable to a potential  
8 purchaser of the motor vehicle [~~; and~~

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

11 [~~(A)~~ are red;

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

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

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

18 (1) nonrepairable vehicle title or comparable  
19 out-of-state ownership document;

20 (2) receipt issued under Section 501.1003(b)  
21 [~~501.096(b)~~]; or

22 (3) certificate of authority.

23 SECTION 44. Section 501.092, Transportation Code, is  
24 redesignated as Section 501.1001, Transportation Code, and amended  
25 to read as follows:

26 Sec. 501.1001 [~~501.092~~]. [~~INSURANCE COMPANY TO SURRENDER~~  
27 ~~CERTIFICATES OF TITLE TO CERTAIN~~] SALVAGE MOTOR VEHICLES OR

1 NONREPAIRABLE MOTOR VEHICLES FOR INSURANCE COMPANIES OR  
2 SELF-INSURED PERSONS. (a) An insurance company that is licensed to  
3 conduct business in this state and that acquires, through payment  
4 of a claim, ownership or possession of a salvage motor vehicle or  
5 nonrepairable motor vehicle covered by a [~~certificate of~~] title  
6 issued by this state or a manufacturer's certificate of origin  
7 shall surrender a properly assigned title or manufacturer's  
8 certificate of origin to the department, in [~~on~~] a manner [~~form~~]  
9 prescribed by the department, except that not earlier than the 31st  
10 [~~46th~~] day after the date of payment of the claim the insurance  
11 company may surrender a [~~certificate of~~] title, in [~~on~~] a manner  
12 [~~form~~] prescribed by the department, and receive a salvage vehicle  
13 [~~certificate of~~] title or a nonrepairable vehicle [~~certificate of~~]  
14 title without obtaining a properly assigned [~~certificate of~~] title  
15 if the insurance company:

16 (1) has obtained the release of all liens on the motor  
17 vehicle;

18 (2) is unable to locate one or more owners of the motor  
19 vehicle; and

20 (3) has provided notice to the last known address in  
21 the department's records to each owner that has not been located:

22 (A) by registered or certified mail, return  
23 receipt requested; or

24 (B) if a notice sent under Paragraph (A) is  
25 returned unclaimed, by publication in a newspaper of general  
26 circulation in the area where the unclaimed mail notice was sent.

27 (b) For a salvage motor vehicle, the insurance company shall



1 apply for a salvage vehicle title or salvage record of title. For a  
2 nonrepairable motor vehicle, the insurance company shall apply for  
3 a nonrepairable vehicle title or nonrepairable record of title.

4 ~~(c) [An insurance company may not sell a motor vehicle to~~  
5 ~~which this section applies unless the department has issued a~~  
6 ~~salvage vehicle title or a nonrepairable vehicle title for the~~  
7 ~~motor vehicle or a comparable ownership document has been issued by~~  
8 ~~another state or jurisdiction for the motor vehicle.~~

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

19 ~~[(e)]~~ An insurance company or other person who acquires  
20 ownership of a motor vehicle other than a nonrepairable or salvage  
21 motor vehicle may voluntarily and on proper application obtain a  
22 salvage vehicle title, salvage record of title, ~~[or a]~~  
23 nonrepairable vehicle title, or nonrepairable record of title for  
24 the vehicle.

25 (d) This section applies only to a motor vehicle in this  
26 state that is:

- 27 (1) a self-insured motor vehicle; and

1           (2) damaged to the extent it becomes a nonrepairable  
2 or salvage motor vehicle.

3           (e) The owner of a motor vehicle to which this section  
4 applies shall submit to the department before the 31st business day  
5 after the date of the damage, in a manner prescribed by the  
6 department, a statement that the motor vehicle was self-insured and  
7 damaged.

8           (f) When the owner submits a statement under Subsection (e),  
9 the owner shall surrender the ownership document and apply for a  
10 nonrepairable vehicle title, nonrepairable record of title,  
11 salvage vehicle title, or salvage record of title.

12           SECTION 45. Section 501.093, Transportation Code, is  
13 redesignated as Section 501.1002, Transportation Code, and amended  
14 to read as follows:

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

20           (1) apply on behalf of the owner for a nonrepairable  
21 vehicle title, nonrepairable record of title, salvage vehicle  
22 title, or salvage record of title; or

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

24                   (A) Subsection (b); or

25                   (B) Section 501.09111; and

26           (3) submit to the department, before the 31st day  
27 after the date of the payment of the claim, in a manner [~~on the~~

1 ~~form~~] prescribed by the department, a report stating that the  
2 insurance company:

3           (A) [~~(1)~~] has paid a claim on the motor vehicle;  
4 and

5           (B) [~~(2)~~] has not acquired ownership of the motor  
6 vehicle.

7           (b) The owner of a motor vehicle to which this section  
8 applies may not operate or permit operation of the motor vehicle on  
9 a public highway or transfer ownership of the motor vehicle by sale  
10 or otherwise unless the department has issued a salvage vehicle  
11 title, salvage record of title, [~~or a~~] nonrepairable vehicle title,  
12 or nonrepairable record of title for the motor vehicle or a  
13 comparable ownership document has been issued by another state or  
14 jurisdiction for the motor vehicle.

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

16                 ~~[(1) the department has issued a nonrepairable vehicle~~  
17 ~~title or salvage vehicle title for the motor vehicle, or~~

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

20           SECTION 46. Section 501.096, Transportation Code, is  
21 redesignated as Section 501.1003, Transportation Code, and amended  
22 to read as follows:

23           Sec. 501.1003 [~~501.096~~]. [~~NONREPAIRABLE MOTOR VEHICLE OR~~  
24 ~~SALVAGE DEALER RESPONSIBILITIES~~ [~~MOTOR VEHICLE DISMANTLED,~~  
25 ~~SCRAPPED, OR DESTROYED~~]. (a) If a salvage vehicle dealer acquires  
26 ownership of a nonrepairable motor vehicle or salvage motor vehicle  
27 for the purpose of dismantling, scrapping, or destroying the motor

1 vehicle, the dealer shall, before the 31st day after the date the  
2 dealer acquires the motor vehicle, submit to the department a  
3 report stating that the motor vehicle will be dismantled, scrapped,  
4 or destroyed. The dealer shall:

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

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

11 (b) After receiving the report and title or document, the  
12 department shall issue the salvage vehicle dealer a receipt for the  
13 manufacturer's certificate of origin, regular certificate of  
14 title, nonrepairable vehicle title, salvage vehicle title, or  
15 comparable out-of-state ownership document.

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

19 ~~[(1) keep on the business premises of the dealer,~~  
20 ~~until the third anniversary of the date the report on the motor~~  
21 ~~vehicle is submitted to the department, a record of the vehicle, its~~  
22 ~~ownership, and its condition as dismantled, scrapped, or destroyed,~~  
23 ~~and~~

24 ~~[(2) present to the department, on the form prescribed~~  
25 ~~by the department, evidence that the motor vehicle was dismantled,~~  
26 ~~scrapped, or destroyed before the 61st day after the date the dealer~~  
27 ~~completed the dismantling, scrapping, or destruction of the motor~~

1 vehicle].

2 SECTION 47. Section 501.104, Transportation Code, is  
3 amended to read as follows:

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

6 [~~(1) a rebuilder licensed as a salvage vehicle dealer;~~

7 [~~(2)~~] a person engaged in repairing, rebuilding, or  
8 reconstructing more than five motor vehicles [~~the business of a~~

9 ~~rebuilder~~], regardless of whether the person is licensed to engage  
10 in that business [~~or~~

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

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

15 (1) an acceptable [~~a regular certificate of title,~~  
16 ~~nonrepairable vehicle title, salvage vehicle title, or comparable~~  
17 ~~out-of-state~~] ownership document or proof of ownership for any  
18 motor vehicle that is:

19 (A) owned by the person;

20 (B) in the person's inventory; and

21 (C) being offered for resale; or

22 (2) a contract entered into with the owner, a work  
23 order, or another document that shows the authority for the person  
24 to possess any motor vehicle that is:

25 (A) owned by another person;

26 (B) on the person's business or casual premises;

27 and

1 (C) being repaired, rebuilt, or reconstructed  
2 for the other person.

3 SECTION 48. Section 501.105, Transportation Code, is  
4 redesignated as Section 501.108, Transportation Code, and amended  
5 to read as follows:

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

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

19 (b) A salvage vehicle dealer or used automotive parts  
20 recycler shall keep on the business premises of the dealer or  
21 recycler, until the third anniversary of the date the report on the  
22 motor vehicle is submitted to the department, a record of the  
23 vehicle, its ownership, and its condition as dismantled, scrapped,  
24 or destroyed as required by Section 501.1003.

25 SECTION 49. Section 501.102, Transportation Code, is  
26 redesignated as Section 501.109, Transportation Code, and amended  
27 to read as follows:

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

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

5                   (2) knows or reasonably should know that:

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

8                           (B) the vehicle identification number assigned  
9 to the motor vehicle belongs to a nonrepairable motor vehicle that  
10 has been repaired, rebuilt, or reconstructed;

11                           (C) the title issued to the motor vehicle belongs  
12 to a nonrepairable motor vehicle that has been repaired, rebuilt,  
13 or reconstructed;

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

16                           (E) the motor vehicle is an export-only motor  
17 vehicle; or

18                           (F) the motor vehicle is a nonrepairable motor  
19 vehicle or salvage motor vehicle for which a nonrepairable vehicle  
20 title, salvage vehicle title, or comparable ownership document  
21 issued by another state or jurisdiction has not been issued.

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

25           (c) A person commits an offense if the person knowingly  
26 fails or refuses to surrender a regular certificate of title after  
27 the person:

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

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

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

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

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

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

13           SECTION 50. Section 501.106, Transportation Code, is  
14 redesignated as Section 501.110, Transportation Code, and amended  
15 to read as follows:

16           Sec. 501.110 [~~501.106~~]. ENFORCEMENT OF SUBCHAPTER. (a)  
17 This subchapter shall be enforced by the department and any other  
18 governmental or law enforcement entity, including the Department of  
19 Public Safety, and the personnel of the entity as provided by this  
20 subchapter.

21           (b) The department, an agent, officer, or employee of the  
22 department, or another person enforcing this subchapter is not  
23 liable to a person damaged or injured by an act or omission relating  
24 to the issuance or revocation of a [~~regular certificate of~~] title,  
25 nonrepairable vehicle title, nonrepairable record of title, [~~or~~]  
26 salvage vehicle title, or salvage record of title under this  
27 subchapter.



1 SECTION 51. Section 501.111(a), Transportation Code, is  
2 amended to read as follows:

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

7 SECTION 52. Section 501.113, Transportation Code, is  
8 amended to read as follows:

9 Sec. 501.113. RECORDATION OF SECURITY INTEREST. (a)  
10 Recordation of a lien under this chapter is considered to occur  
11 when:

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

13 (2) the county assessor-collector [+

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

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

19 (b) For purposes of Chapter 9, Business & Commerce Code, the  
20 time of recording a lien under this chapter is considered to be the  
21 time of filing the security interest, and on such recordation, the  
22 recorded lienholder and assignees under Section 501.114 obtain  
23 priority over the rights of a lien creditor, as defined by Section  
24 9.102, Business & Commerce Code, for so long as the lien is recorded  
25 on the [~~certificate of~~] title.

26 SECTION 53. Sections 501.114(b), (d), (e), (f), and (g),  
27 Transportation Code, are amended to read as follows:

1 (b) An assignee or assignor may, but need not to retain the  
2 validity, perfection, and priority of the lien assigned, as  
3 evidence of the assignment of a lien recorded under Section  
4 501.113:

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

8 (2) notify the debtor of the assignment.

9 (d) An application under Subsection (b) must be  
10 acknowledged[-

11 [~~(1) signed~~] by the assignee[~~, and~~

12 [~~(2) accompanied by:~~

13 [~~(A) the applicable fee,~~

14 [~~(B) a copy of the assignment agreement executed~~  
15 ~~by the parties, and~~

16 [~~(C) the certificate of title on which the lien~~  
17 ~~to be assigned is recorded]~~.

18 (e) On receipt of the completed application and fee, the  
19 department may:

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

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

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

26 (g) Regardless of whether application is made for the  
27 assignee to be named as lienholder on the [~~certificate of~~] title,

1 the time of the recordation of a lien assigned under this section is  
2 considered to be the time the lien was initially recorded under  
3 Section 501.113.

4 SECTION 54. Section 501.115, Transportation Code, is  
5 amended to read as follows:

6 Sec. 501.115. DISCHARGE OF LIEN. (a) When a debt or claim  
7 secured by a lien has been satisfied, the lienholder shall, within a  
8 reasonable time not to exceed the maximum time allowed by Section  
9 348.408, Finance Code, execute and deliver to the owner, or the  
10 owner's designee, a discharge of the lien in ~~on~~ a manner ~~form~~  
11 prescribed by the department.

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

16 SECTION 55. Section 501.116, Transportation Code, is  
17 amended to read as follows:

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

- 22 (1) does not exist; or  
23 (2) cannot be located for the owner to obtain a release  
24 of the lien.

25 SECTION 56. Sections 501.134(a), (b), (c), (d), and (g),  
26 Transportation Code, are amended to read as follows:

27 (a) If a printed ~~[certificate of]~~ title is lost or

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

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

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

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

26 (g) The department may issue a certified copy of a  
27 [~~certificate of~~] title [~~before the fourth business day after the~~

1 ~~date application is made~~] only if the applicant:

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

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

8 SECTION 57. Section 501.135(a), Transportation Code, is  
9 amended to read as follows:

10 (a) The department shall:

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

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

16 SECTION 58. Sections 501.138(a), (b), and (b-1),  
17 Transportation Code, are amended to read as follows:

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

21 (1) \$33 if the applicant's residence is a county  
22 located within a nonattainment area as defined under Section 107(d)  
23 of the federal Clean Air Act (42 U.S.C. Section 7407), as amended,  
24 or is an affected county, as defined by Section 386.001, Health and  
25 Safety Code; or

26 (2) \$28 if the applicant's residence is any other  
27 county.

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

3 (1) \$5 of the fee to the county treasurer for deposit  
4 in the officers' salary fund;

5 (2) \$8 of the fee to the department:

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

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

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

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

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

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

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

26 [~~(2) on or after September 1, 2008,~~] to the credit of  
27 the Texas Mobility Fund, except that \$5 of each fee imposed under

1 Subsection (a)(1) and deposited on or after September 1, 2008, and  
2 before September 1, 2015, shall be deposited to the credit of the  
3 Texas emissions reduction plan fund.

4 SECTION 59. Section 520.031, Transportation Code, as  
5 amended by Chapters 836 (H.B. 1743) and 1423 (H.B. 2409), Acts of  
6 the 76th Legislature, Regular Session, 1999, is transferred to  
7 Subchapter H, Chapter 501, Transportation Code, redesignated as  
8 Section 501.145, Transportation Code, and reenacted and amended to  
9 read as follows:

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

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

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

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

26 (c) [~~In this section, "working day" means any day other than~~  
27 ~~a Saturday, a Sunday, or a holiday on which county offices are~~

1 ~~closed.~~

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

12       SECTION 60. Section 520.032, Transportation Code, is  
13 transferred to Subchapter H, Chapter 501, Transportation Code,  
14 redesignated as Section 501.146, Transportation Code, and amended  
15 to read as follows:

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

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

21       ~~[(b)]~~ If the ~~[transferee does not file the]~~ application for  
22 the transfer of title is not filed during the period provided by  
23 Section 501.145, the ~~[520.031, the transferee is liable for a]~~ late  
24 fee is to be paid to the county assessor-collector when the  
25 application is filed. If the seller ~~[transferee]~~ holds a general  
26 distinguishing number issued under Chapter 503 of this code or  
27 Chapter 2301, Occupations Code, the seller is liable for the late



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

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

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

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

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

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

21 SECTION 61. Section 520.023, Transportation Code, is  
22 transferred to Subchapter H, Chapter 501, Transportation Code,  
23 redesignated as Section 501.147, Transportation Code, and amended  
24 to read as follows:

25 Sec. 501.147 [~~520.023~~]. [~~POWERS AND DUTIES OF DEPARTMENT ON~~  
26 ~~TRANSFER OF USED~~] VEHICLE TRANSFER NOTIFICATION. (a) On receipt of  
27 a written notice of transfer from the seller [~~transferor~~] of a motor

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

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

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

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

19 [~~(3)~~] the full name and address of the seller  
20 [~~transferor~~];

21 (3) [~~(4)~~] the full name and address of the purchaser  
22 [~~transferee~~];

23 (4) [~~(5)~~] the date the seller [~~transferor~~] delivered  
24 possession of the vehicle to the purchaser [~~transferee~~];

25 (5) [~~(6)~~] the signature of the seller [~~transferor~~];

26 and

27 (6) [~~(7)~~] the date the seller [~~transferor~~] signed the

1 form.

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

9 (1) the owner of the vehicle; and

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

15 (d) The department may adopt [+

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

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

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

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

1 purchaser [~~transferee~~] applies for a title to the county  
2 assessor-collector as provided by this chapter [~~Chapter 501~~].

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

15 SECTION 62. Section 520.033, Transportation Code, is  
16 transferred to Subchapter H, Chapter 501, Transportation Code,  
17 redesignated as Section 501.148, Transportation Code, and amended  
18 to read as follows:

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

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

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

6 SECTION 63. Section 501.152(b), Transportation Code, is  
7 amended to read as follows:

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

14 SECTION 64. Section 501.153, Transportation Code, is  
15 amended to read as follows:

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

20 SECTION 65. Section 501.154, Transportation Code, is  
21 amended to read as follows:

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

26 SECTION 66. Section 501.155(a), Transportation Code, is  
27 amended to read as follows:

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

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

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

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

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

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

12 SECTION 67. The heading to Section 501.158, Transportation  
13 Code, is amended to read as follows:

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

16 SECTION 68. Section 520.035, Transportation Code, is  
17 transferred to Subchapter H, Chapter 501, Transportation Code,  
18 redesignated as Section 501.161, Transportation Code, and amended  
19 to read as follows:

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

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

27 (1) accepts a document described by Subsection (a)

1 that does not contain all of the required information; or

2 (2) alters or mutilates such a document.

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

5 SECTION 69. Subchapter H, Chapter 501, Transportation Code,  
6 is amended by adding Sections 501.162 and 501.163 to read as  
7 follows:

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

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

16 SECTION 70. Chapter 501, Transportation Code, is amended by  
17 adding Subchapter I to read as follows:

18 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

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

22 Sec. 501.172. DEFINITIONS. In this subchapter:

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

26 (2) "Electronic" means relating to technology having  
27 electrical, digital, magnetic, wireless, optical, electromagnetic,

1 or similar capabilities.

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

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

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

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

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

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

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

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



1 stamp, impression, or seal is not required to accompany an  
2 electronic signature.

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

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

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

9 (3) convert into electronic form:

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

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

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

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

22 (b) The department may collect a fee for processing a title  
23 or registration payment by electronic funds transfer, credit card,  
24 or debit card. The amount of the fee must be reasonably related to  
25 the expense incurred by the department in processing the payment by  
26 electronic funds transfer, credit card, or debit card and may not be  
27 more than five percent of the amount of the fee being paid.

1       (c) In addition to the fee authorized by Subsection (b), the  
2 department may collect from a person making payment by electronic  
3 funds transfer, credit card, or debit card an amount equal to the  
4 amount of any transaction fee charged to the department by a vendor  
5 providing services in connection with payments made by electronic  
6 funds transfer, credit card, or debit card. The limitation  
7 prescribed by Subsection (b) on the amount of a fee does not apply  
8 to a fee collected under this subsection.

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

19       Sec. 501.178. DISPOSITION OF FEES. All fees collected  
20 under this subchapter shall be deposited to the credit of the state  
21 highway fund.

22       Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL  
23 AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and  
24 supersedes the federal Electronic Signatures in Global and National  
25 Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify,  
26 limit, or supersede Section 101(c) of that Act (15 U.S.C. Section  
27 7001(c)) or authorize electronic delivery of any of the notices

1 described in Section 103(b) of that Act (15 U.S.C. Section  
2 7003(b)).

3 SECTION 71. Section 502.001, Transportation Code, is  
4 amended to read as follows:

5 Sec. 502.001. DEFINITIONS. In this chapter:

6 (1) "All-terrain vehicle" means a motor vehicle that  
7 is:

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

9 (i) the rider; and

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

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

14 (C) designed by the manufacturer for off-highway  
15 use; and

16 (D) not designed by the manufacturer primarily  
17 for farming or lawn care.

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

22 (3) [~~1-a~~] "Board" means the board of the Texas  
23 Department of Motor Vehicles.

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

1           (5) "Combined gross weight" means the empty weight of  
2 the truck-tractor or commercial motor vehicle combined with the  
3 empty weight of the heaviest semitrailer used or to be used in  
4 combination with the truck-tractor or commercial motor vehicle plus  
5 the heaviest net load to be carried on the combination during the  
6 registration year.

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

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

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

1           (9) "Credit card" has the meaning assigned by Section  
2 501.002.

3           (10) "Debit card" has the meaning assigned by Section  
4 501.002.

5           (11) [~~3~~] "Department" means the Texas Department of  
6 Motor Vehicles.

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

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

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

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

18           (16) [~~5~~] "Farm tractor" has the meaning assigned by  
19 Section 541.201 [~~means a motor vehicle designed and used primarily~~  
20 ~~as a farm implement for drawing other implements of husbandry]~~.

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

1           (18) [~~(7)~~] "Golf cart" means a motor vehicle designed  
2 by the manufacturer primarily for use [~~transporting persons~~] on a  
3 golf course.

4           (19) "Gross vehicle weight" has the meaning assigned  
5 by Section 541.401.

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

13           (21) [~~(9)~~] "Light truck" has the meaning assigned by  
14 Section 541.201 [~~means a commercial motor vehicle that has a~~  
15 ~~manufacturer's rated carrying capacity of one ton or less~~].

16           (22) [~~(10)~~] "Moped" has the meaning assigned by  
17 Section 541.201.

18           (23) [~~(11)~~] "Motor bus" includes every vehicle used to  
19 transport persons on the public highways for compensation, other  
20 than:

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

22                   (B) a municipal bus.

23           (24) [~~(12)~~] "Motorcycle" has the meaning assigned by  
24 Section 521.001 or 541.201, as applicable [~~means a motor vehicle~~  
25 ~~designed to propel itself with not more than three wheels in contact~~  
26 ~~with the ground. The term does not include a tractor~~].

27           (25) [~~(13)~~] "Motor vehicle" means a vehicle that is

1 self-propelled.

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

4 (27) [~~14~~] "Municipal bus" includes every vehicle,  
5 other than a passenger car, used to transport persons for  
6 compensation exclusively within the limits of a municipality or a  
7 suburban addition to the municipality.

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

11 (29) "Oil well servicing, cleanout, or drilling  
12 machinery":

13 (A) has the meaning assigned by Section 623.149;

14 or

15 (B) means a mobile crane:

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

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

23 (30) [~~15~~] "Operate temporarily on the highways"  
24 means to travel between:

25 (A) different farms;

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

27 (C) an owner's farm and the place at which the

1 owner's farm produce is prepared for market or is marketed.

2 (31) [~~(16)~~] "Owner" means a person who:

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

4 (B) has the legal right of possession of a  
5 vehicle; or

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

7 (32) [~~(17)~~] "Passenger car" has the meaning assigned  
8 by Section 541.201 [~~means a motor vehicle, other than a motorcycle,~~  
9 ~~golf cart, light truck, or bus, designed or used primarily for the~~  
10 ~~transportation of persons~~].

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

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

19 (A) is not operated for hire; and

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

21 (35) [~~(18)~~] "Public highway" includes a road, street,  
22 way, thoroughfare, or bridge:

23 (A) that is in this state;

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

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

26 and

27 (D) over which the state has legislative



1 jurisdiction under its police power.

2           (36) [~~(19)~~] "Public property" means property owned or  
3 leased by this state or a political subdivision of this state.

4           (37) [~~(19-a)~~] "Recreational off-highway vehicle"  
5 means a motor vehicle that is:

6                   (A) equipped with a non-straddle seat for the use  
7 of:

8                           (i) the rider; and

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

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

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

15                   (D) not designed by the manufacturer primarily  
16 for farming or lawn care.

17           (38) [~~(20)~~] "Road tractor" means a vehicle designed  
18 for the purpose of mowing the right-of-way of a public highway or a  
19 motor vehicle designed or used for drawing another vehicle or a load  
20 and not constructed to carry:

21                   (A) an independent load; or

22                   (B) a part of the weight of the vehicle and load  
23 to be drawn.

24           (39) [~~(21)~~] "Semitrailer" means a vehicle designed or  
25 used with a motor vehicle so that part of the weight of the vehicle  
26 and its load rests on or is carried by another vehicle.

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

1                    (A) has a gross weight of more than 6,000 pounds;

2 and

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

5                            (i) an apportioned license plate;

6                            (ii) a combination license plate; or

7                            (iii) a forestry vehicle license plate.

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

10                    (42) [~~(22)~~] "Trailer" means a vehicle that:

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

13                            (B) is drawn or designed to be drawn by a motor  
14 vehicle.

15                    (43) "Travel trailer" has the meaning assigned by  
16 Section 501.002.

17                    (44) [~~(23)~~] "Truck-tractor" means a motor vehicle:

18                            (A) designed and used primarily for drawing  
19 another vehicle; and

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

22                    (45) [~~(24)~~] "Vehicle" means a device in or by which a  
23 person or property is or may be transported or drawn on a public  
24 highway, other than a device used exclusively on stationary rails  
25 or tracks.

26                    SECTION 72. Section 502.0021, Transportation Code, is  
27 amended to read as follows:

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

3           (b) The department shall post forms on the Internet and~~+~~  
4           ~~[(1) prescribe forms determined by the department to~~  
5 ~~be necessary for the administration of this chapter, and~~  
6           ~~[(2)]~~ provide each county assessor-collector with a  
7 sufficient ~~[an adequate]~~ supply of any ~~[each form]~~ necessary forms  
8 on request ~~[for the performance of a duty under this chapter by the~~  
9 ~~assessor-collector]~~.

10           SECTION 73. Section 502.052, Transportation Code, is  
11 transferred to Subchapter A, Chapter 502, Transportation Code,  
12 redesignated as Section 502.00211, Transportation Code, and  
13 amended to read as follows:

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

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

24           ~~[(c) To promote highway safety, each license plate shall be~~  
25 ~~made with a reflectorized material that provides effective and~~  
26 ~~dependable brightness for the period for which the plate is~~  
27 ~~issued. The purchase of reflectorized material shall be submitted~~

1 ~~to the comptroller for approval.]~~

2 SECTION 74. The heading to Section 502.0023, Transportation  
3 Code, is amended to read as follows:

4 Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET  
5 ~~[MOTOR]~~ VEHICLES.

6 SECTION 75. Section 502.0023, Transportation Code, is  
7 amended by amending Subsections (a) and (c) and adding Subsection  
8 (i) to read as follows:

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

19 (c) In addition to the registration fees prescribed by this  
20 chapter ~~[Subchapter D]~~, an owner registering a commercial fleet  
21 under this section shall pay:

22 (1) an annual commercial fleet registration fee of \$10  
23 per motor vehicle, semitrailer, or trailer in the fleet; and

24 (2) except as provided by Subsection (e), a one-time  
25 license plate manufacturing fee of \$1.50 for each fleet motor  
26 vehicle, semitrailer, or trailer license plate.

27 (i) The department may provide for credits for fleet

1 registration.

2 SECTION 76. Section 502.185, Transportation Code, is  
3 transferred to Subchapter A, Chapter 502, Transportation Code,  
4 redesignated as Section 502.010, Transportation Code, and amended  
5 to read as follows:

6 Sec. 502.010 [~~502.185~~]. COUNTY SCOFFLAW [~~REFUSAL TO~~  
7 ~~REGISTER VEHICLE IN CERTAIN COUNTIES~~]. (a) A county  
8 assessor-collector or the department may refuse to register a motor  
9 vehicle if the assessor-collector or the department receives  
10 information that the owner of the vehicle owes the county money for  
11 a fine, fee, or tax that is past due.

12 (b) A county may contract with the department to provide  
13 information to the department necessary to make a determination  
14 under Subsection (a).

15 (c) A county that has a contract under Subsection (b) shall  
16 notify the department regarding a person for whom the county  
17 assessor-collector or the department has refused to register a  
18 motor vehicle on:

19 (1) the person's payment or other means of discharge of  
20 the past due fine, fee, or tax; or

21 (2) perfection of an appeal of the case contesting  
22 payment of the fine, fee, or tax.

23 (d) After notice is received under Subsection (c), the  
24 county assessor-collector or the department may not refuse to  
25 register the motor vehicle under Subsection (a).

26 (e) A contract under Subsection (b) must be entered into in  
27 accordance with Chapter 791, Government Code, and is subject to the

1 ability of the parties to provide or pay for the services required  
2 under the contract.

3 (f) A county that has a contract under Subsection (b) may  
4 impose an additional fee to a person paying a fine, fee, or tax to  
5 the county after it is past due. The additional fee may be used only  
6 to reimburse the department or the county for its expenses for  
7 providing services under the contract.

8 (g) In this section:

9 (1) a fine, fee, or tax is considered past due if it is  
10 unpaid 90 or more days after the date it is due; and

11 (2) registration of a motor vehicle includes renewal  
12 of the registration of the vehicle.

13 (h) This section does not apply to the registration of a  
14 motor vehicle under Section 501.0234, unless the vehicle is titled  
15 and registered in the name of a person who holds a general  
16 distinguishing number.

17 SECTION 77. The heading to Subchapter B, Chapter 502,  
18 Transportation Code, is amended to read as follows:

19 SUBCHAPTER B. REGISTRATION REQUIREMENTS [~~STATE ADMINISTRATION~~]

20 SECTION 78. Section 502.002, Transportation Code, is  
21 transferred to Subchapter B, Chapter 502, Transportation Code,  
22 redesignated as Section 502.040, Transportation Code, and amended  
23 to read as follows:

24 Sec. 502.040 [~~502.002~~]. REGISTRATION REQUIRED; GENERAL  
25 RULE. (a) Not more than 30 days after purchasing a vehicle or  
26 becoming a resident of this state, the [~~The~~] owner of a motor  
27 vehicle, trailer, or semitrailer shall apply for the registration

1 of the vehicle for:

2 (1) each registration year in which the vehicle is  
3 used or to be used on a public highway; and

4 (2) if the vehicle is unregistered for a registration  
5 year that has begun and that applies to the vehicle and if the  
6 vehicle is used or to be used on a public highway, the remaining  
7 portion of that registration year.

8 (b) The application must be accompanied by personal  
9 identification as determined by department rule and made in a  
10 manner prescribed by [to] the department:

11 (1) through the county assessor-collector of the  
12 county in which the owner resides; or

13 (2) if the county in which the owner resides has been  
14 declared by the governor as a disaster area, through the county  
15 assessor-collector of a county that is one of the closest  
16 unaffected counties to a county that asks for assistance and:

17 (A) continues to be declared by the governor as a  
18 disaster area because the county has been rendered inoperable by  
19 the disaster; and

20 (B) is inoperable for a protracted period of  
21 time.

22 (c) A provision of this chapter that conflicts with this  
23 section prevails over this section to the extent of the conflict.

24 (d) A county assessor-collector, a deputy county  
25 assessor-collector, or a person acting on behalf of a county  
26 assessor-collector is not liable to any person for:

27 (1) refusing to register a motor vehicle because of

1 the person's failure to submit evidence of residency that complies  
2 with the department's rules; or

3 (2) registering a motor vehicle under this section.

4 SECTION 79. Section 502.157, Transportation Code, is  
5 transferred to Subchapter B, Chapter 502, Transportation Code,  
6 redesignated as Section 502.041, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.041 [~~502.157~~]. INITIAL REGISTRATION. (a)  
9 Notwithstanding Section 502.040 [~~502.002~~], [~~when a motor vehicle~~  
10 ~~must be registered before an application for a certificate of title~~  
11 ~~will be accepted,~~] the owner of a a [~~the~~] vehicle may concurrently  
12 apply for a [~~certificate of~~] title and for registration through the  
13 county assessor-collector of the county in which:

14 (1) the owner resides; or

15 (2) the vehicle is purchased or encumbered.

16 (b) The first time an owner applies for registration of a  
17 vehicle, the owner may demonstrate compliance with Section  
18 502.046(a) [~~502.153(a)~~] as to the vehicle by showing proof of  
19 financial responsibility in any manner specified in Section  
20 502.046(c) [~~502.153(c)~~] as to:

21 (1) any vehicle of the owner; or

22 (2) any vehicle used as part of the consideration for  
23 the purchase of the vehicle the owner applies to register.

24 SECTION 80. Section 502.152, Transportation Code, is  
25 transferred to Subchapter B, Chapter 502, Transportation Code,  
26 redesignated as Section 502.042, Transportation Code, and amended  
27 to read as follows:



1           Sec. 502.042 [~~502.152~~]. [~~CERTIFICATE OF~~] TITLE REQUIRED  
2 FOR REGISTRATION. [~~(a)~~] The department may not register or renew  
3 the registration of a motor vehicle for which a [~~certificate of~~]  
4 title is required under Chapter 501 unless the owner:

5                   (1) obtains a [~~certificate of~~] title for the vehicle;  
6 or

7                   (2) presents satisfactory evidence that a  
8 [~~certificate of~~] title was previously issued to the owner by the  
9 department or another jurisdiction.

10           ~~[(b) This section does not apply to an automobile that was~~  
11 ~~purchased new before January 1, 1936.]~~

12           SECTION 81. Section 502.151, Transportation Code, is  
13 transferred to Subchapter B, Chapter 502, Transportation Code,  
14 redesignated as Section 502.043, Transportation Code, and amended  
15 to read as follows:

16           Sec. 502.043 [~~502.151~~]. APPLICATION FOR REGISTRATION. (a)  
17 An application for vehicle registration must:

18                   (1) be made in a manner prescribed and include the  
19 information required [~~on a form furnished~~] by the department by  
20 rule; and

21                   (2) contain a [~~the~~] full description [~~name and address~~  
22 ~~of the owner~~] of the vehicle as required by department rule [~~+~~

23                   ~~[(3) contain a brief description of the vehicle;~~

24                   ~~[(4) contain any other information required by the~~  
25 ~~department; and~~

26                   ~~[(5) be signed by the owner].~~

27           (b) The department shall deny the [~~For a new motor vehicle,~~

1 ~~the description of the vehicle must include the vehicle's:~~  
2           ~~[(1) trade name,~~  
3           ~~[(2) year model,~~  
4           ~~[(3) style and type of body,~~  
5           ~~[(4) weight, if the vehicle is a passenger car,~~  
6           ~~[(5) net carrying capacity and gross weight, if the~~  
7 ~~vehicle is a commercial motor vehicle,~~  
8           ~~[(6) vehicle identification number, and~~  
9           ~~[(7) date of sale by the manufacturer or dealer to the~~  
10 ~~applicant.~~

11           ~~[(c) An applicant for]~~ registration of a commercial motor  
12 vehicle, truck-tractor, trailer, or semitrailer if the applicant:

13           (1) has a business operated, managed, or otherwise  
14 controlled or affiliated with a person who is ineligible for  
15 registration or whose privilege to operate has been suspended,  
16 including the applicant entity, a relative, family member,  
17 corporate officer, or shareholder;

18           (2) has a vehicle that has been prohibited from  
19 operating by the Federal Motor Carrier Safety Administration for  
20 safety-related reasons;

21           (3) is a carrier whose business is operated, managed,  
22 or otherwise controlled or affiliated with a person who is  
23 ineligible for registration, including the owner, a relative, a  
24 family member, a corporate officer, or a shareholder; or

25           (4) fails to ~~[must]~~ deliver to the county  
26 assessor-collector proof of ~~[an affidavit showing]~~ the weight of  
27 the vehicle, the maximum load to be carried on the vehicle, and the

1 gross weight for which the vehicle is to be registered. [~~The~~  
2 ~~assessor-collector shall keep the affidavit on file.~~]

3 (c) [~~(d)~~] In lieu of filing an application during a year as  
4 provided by Subsection (a), the owner of a vehicle registered in any  
5 state for that year or the preceding year may present the  
6 registration receipt and transfer receipt, if any. The county  
7 assessor-collector shall accept the receipt as an application for  
8 renewal of the registration if the receipt indicates the applicant  
9 owns the vehicle. This section allows issuance for registration  
10 purposes only but does not authorize the department to issue a  
11 title.

12 (d) The department may require an applicant for  
13 registration to provide current personal identification as  
14 determined by department rule. Any identification number required  
15 by the department under this subsection may be entered into the  
16 department's electronic titling system but may not be printed on  
17 the title.

18 [~~(e)~~ If an owner or claimed owner has lost or misplaced the  
19 registration receipt or transfer receipt for the vehicle, the  
20 county assessor-collector shall register the vehicle on the  
21 person's furnishing to the assessor-collector satisfactory  
22 evidence, by affidavit or otherwise, that the person owns the  
23 vehicle.

24 [~~(f)~~ A county assessor-collector shall date each  
25 registration receipt issued for a vehicle with the date on which the  
26 application for registration is made.]

27 SECTION 82. Section 502.158, Transportation Code, is

1 transferred to Subchapter B, Chapter 502, Transportation Code,  
2 redesignated as Section 502.044, Transportation Code, and amended  
3 to read as follows:

4       Sec. 502.044 [~~502.158~~]. REGISTRATION PERIOD [~~YEAR~~]. (a)  
5 The department shall designate a vehicle registration year of 12  
6 consecutive months to begin on the first day of a calendar month and  
7 end on the last day of the 12th calendar month.

8       (b) The department shall designate vehicle registration  
9 years so as to distribute the work of the department and the county  
10 assessor-collectors as uniformly as possible throughout the year.  
11 The department may establish separate registration years for any  
12 vehicle or classification of vehicle and may adopt rules to  
13 administer the year-round registration system.

14       (c) The department may designate a registration period of  
15 less than 12 months to be [~~. The registration fee for a~~  
16 ~~registration period of less than 12 months is~~] computed at a rate of  
17 one-twelfth the annual registration fee multiplied by the number of  
18 months in the registration period. The board by rule may allow  
19 payment of [~~department may not designate a registration period of~~  
20 ~~more than 12 months, but:~~

21           [~~(1) with the consent of the department, an owner may~~  
22 ~~pay~~] registration fees for a designated period not to exceed the  
23 amount of time determined by department rule [~~of more than 12~~  
24 ~~months, and~~

25           [~~(2) an owner of a vehicle may pay registration fees~~  
26 ~~for a designated period of 12, 24, or 36 months.~~

27       [~~(d) An application for registration shall be made during~~

1 ~~the two months preceding the date on which the registration~~  
2 ~~expires.~~

3 ~~[(c) The fee to be paid for renewing a registration is the~~  
4 ~~fee that will be in effect on the first day of the vehicle~~  
5 ~~registration year].~~

6 (d) ~~[(g)]~~ The department shall issue ~~[the applicant for~~  
7 ~~registration who pays registration fees for a designated period of~~  
8 ~~24 or 36 months]~~ a registration receipt and registration insignia  
9 that are valid until the expiration of the designated period.

10 SECTION 83. Section 502.176, Transportation Code, is  
11 transferred to Subchapter B, Chapter 502, Transportation Code,  
12 redesignated as Section 502.045, Transportation Code, and amended  
13 to read as follows:

14 Sec. 502.045 ~~[502.176]~~. DELINQUENT REGISTRATION. (a) A  
15 registration fee ~~[prescribed by this chapter]~~ for a vehicle becomes  
16 delinquent immediately if the vehicle is used on a public highway  
17 without the fee having been paid in accordance with this chapter.

18 (b) An ~~[A county assessor-collector that determines that~~  
19 ~~an]~~ applicant for registration who provides ~~[for which payment of~~  
20 ~~the registration fee is delinquent has provided]~~ evidence  
21 ~~[acceptable to the assessor-collector sufficient]~~ to establish  
22 good reason for delinquent registration and who ~~[that the~~  
23 ~~application]~~ complies with the other requirements for registration  
24 under this chapter may ~~[shall]~~ register the vehicle for a 12-month  
25 period that ends on the last day of the 11th month after the month in  
26 which the registration occurs under this subsection. ~~[The~~  
27 ~~registration period for vehicles registered in accordance with~~

1 ~~Sections 502.164, 502.167, 502.203, 502.255, 502.267, 502.277,~~  
2 ~~502.278, 502.293, as added by Chapter 1222, Acts of the 75th~~  
3 ~~Legislature, Regular Session, 1997, and 502.295, as added by~~  
4 ~~Chapter 625, Acts of the 75th Legislature, Regular Session, 1997,~~  
5 ~~will end on the annual registration date, and the registration fees~~  
6 ~~will be prorated.]~~

7       (c) An ~~[A county assessor-collector that determines that~~  
8 ~~an]~~ applicant for registration who ~~[that]~~ is delinquent and has not  
9 provided evidence acceptable ~~[to the assessor-collector~~  
10 ~~sufficient]~~ to establish good reason for delinquent registration  
11 but who ~~[that the application]~~ complies with the other requirements  
12 for registration under this chapter shall register the vehicle for  
13 a 12-month period without changing the initial month of  
14 registration.

15       (d) A person who has been arrested or received a citation  
16 for a violation of Section 502.472 ~~[502.402]~~ may register the  
17 vehicle being operated at the time of the offense ~~[with the county~~  
18 ~~assessor-collector]~~ for a 12-month period without change to the  
19 initial month of registration only if the person:

20               (1) meets the other requirements for registration  
21 under this chapter; and

22               (2) pays an additional charge equal to 20 percent of  
23 the prescribed fee.

24       (e) The board by rule ~~[county assessor-collector]~~ shall  
25 adopt a list of evidentiary items sufficient to establish good  
26 reason for delinquent registration under Subsection (b) and provide  
27 for the ~~[forms of]~~ evidence that may be used to establish good

1 reason under that subsection. [~~The list of evidentiary items~~  
2 ~~adopted under this section must allow for delinquent registration~~  
3 ~~under Subsection (b) because of:~~

- 4           ~~[(1) extensive repairs on the vehicle;~~
- 5           ~~[(2) the absence of the owner of the vehicle from this~~  
6 ~~country;~~
- 7           ~~[(3) seasonal use of the vehicle; or~~
- 8           ~~[(4) any other reason determined by the~~  
9 ~~assessor-collector to be a valid explanation for the delinquent~~  
10 ~~registration.]~~

11           (f) The board [~~department~~] by rule shall adopt procedures to  
12 implement this section in connection with the delinquent  
13 registration of a vehicle registered directly with the department  
14 or through other means.

15           SECTION 84. Section 502.153, Transportation Code, is  
16 transferred to Subchapter B, Chapter 502, Transportation Code,  
17 redesignated as Section 502.046, Transportation Code, and amended  
18 to read as follows:

19           Sec. 502.046 [~~502.153~~]. EVIDENCE OF FINANCIAL  
20 RESPONSIBILITY. (a) Evidence [~~Except as provided by Subsection~~  
21 ~~(j), the owner of a motor vehicle, other than a trailer or~~  
22 ~~semitrailer, for which evidence]~~ of financial responsibility as  
23 [~~is~~] required by Section 601.051 other than for a trailer or  
24 semitrailer [~~or a person who represents the owner for purposes of~~  
25 ~~registering a motor vehicle]~~ shall be submitted [~~submit evidence of~~  
26 ~~financial responsibility]~~ with the application for registration  
27 under Section 502.043 [~~502.151~~]. A county assessor-collector may

1 not register the motor vehicle unless the owner or the owner's  
2 representative submits the evidence of financial responsibility.

3 (b) The county assessor-collector shall examine the  
4 evidence of financial responsibility to determine whether it  
5 complies with Subsection (c). After examination, [~~examining~~]  
6 evidence [~~, the assessor-collector~~] shall be returned [~~return the~~  
7 ~~evidence~~] unless it is in the form of a photocopy or an electronic  
8 submission.

9 (c) In this section, evidence of financial responsibility  
10 may be:

11 (1) a document listed under Section 601.053(a) or  
12 verified in compliance with Section 601.452;

13 (2) a liability self-insurance or pool coverage  
14 document issued by a political subdivision or governmental pool  
15 under the authority of Chapter 791, Government Code, Chapter 119,  
16 Local Government Code, or other applicable law in at least the  
17 minimum amounts required by Chapter 601;

18 (3) a photocopy of a document described by Subdivision  
19 (1) or (2); or

20 (4) an electronic submission of a document or the  
21 information contained in a document described by Subdivision (1) or  
22 (2).

23 (d) A personal automobile policy used as evidence of  
24 financial responsibility under this section must comply with  
25 Section 1952.052 et seq. and Sections 2301.051 through 2301.055  
26 [~~Article 5.06 or 5.145~~], Insurance Code.

27 (e) At the time of registration, the county



1 assessor-collector shall provide to a person registering a motor  
2 vehicle a [~~separate~~] statement that the motor vehicle [~~being~~  
3 ~~registered~~] may not be operated in this state unless:

4 (1) liability insurance coverage for the motor vehicle  
5 in at least the minimum amounts required by law remains in effect to  
6 insure against potential losses; or

7 (2) the motor vehicle is exempt from the insurance  
8 requirement because the person has established financial  
9 responsibility in a manner described by Sections [~~Section~~]  
10 601.051(2)-(5) or is exempt under Section 601.052.

11 (f) A county assessor-collector is not liable to any person  
12 for refusing to register a motor vehicle to which this section  
13 applies because of the person's failure to submit evidence of  
14 financial responsibility that complies with Subsection (c).

15 (g) A county, a county assessor-collector, a deputy county  
16 assessor-collector, a person acting for or on behalf of a county or  
17 a county assessor-collector, or a person acting on behalf of an  
18 owner for purposes of registering a motor vehicle is not liable to  
19 any person for registering a motor vehicle under this section.

20 (h) This section does not prevent a person from registering  
21 a motor vehicle by mail or through an electronic submission.

22 (i) To be valid under this section, an electronic submission  
23 must be in a format that is:

24 (1) submitted by electronic means, including a  
25 telephone, facsimile machine, or computer;

26 (2) approved by the department; and

27 (3) authorized by the commissioners court for use in

1 the county.

2 (j) This section does not apply to a vehicle registered  
3 pursuant to Section 501.0234.

4 SECTION 85. Section 502.009, Transportation Code, is  
5 transferred to Subchapter B, Chapter 502, Transportation Code,  
6 redesignated as Section 502.047, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.047 [~~502.009~~]. MOTOR VEHICLE EMISSIONS INSPECTION  
9 AND MAINTENANCE REQUIREMENTS. (a) The Department of Public Safety  
10 shall ensure compliance with the motor vehicle emissions inspection  
11 and maintenance program through a vehicle inspection sticker-based  
12 enforcement system except as provided by this section or Section  
13 548.3011. Subsections (b)-(e) apply only if the United States  
14 Environmental Protection Agency determines that the state has not  
15 demonstrated, as required by 40 C.F.R. Section 51.361, that  
16 sticker-based enforcement of the program is more effective than  
17 registration-based enforcement and gives the Texas [~~Natural~~  
18 ~~Resource Conservation~~] Commission on Environmental Quality or the  
19 governor written notification that the reregistration-based  
20 enforcement of the program, as described by those subsections, will  
21 be required. If Subsections (b)-(e) are made applicable as  
22 provided by this subsection, the department shall terminate  
23 reregistration-based enforcement of the program under those  
24 subsections on the date the United States Environmental Protection  
25 Agency gives the Texas [~~Natural Resource Conservation~~] Commission  
26 on Environmental Quality or a person the commission designates  
27 written notification that reregistration-based enforcement is not

1 required for the state implementation plan.

2 (b) A [~~The department may not register a~~] motor vehicle may  
3 not be registered if the department receives from the Texas  
4 [~~Natural Resource Conservation~~] Commission on Environmental  
5 Quality or the Department of Public Safety notification that the  
6 registered owner of the vehicle has not complied with Subchapter F,  
7 Chapter 548.

8 (c) A motor vehicle [~~The county tax assessor-collector~~] may  
9 not be registered if the [~~register a~~] vehicle was denied  
10 registration under Subsection (b) unless [~~the tax~~  
11 ~~assessor-collector has~~] verification is received that the  
12 registered vehicle owner is in compliance with Subchapter F,  
13 Chapter 548.

14 (d) The department, the Texas [~~Natural Resource~~  
15 ~~Conservation~~] Commission on Environmental Quality, and the  
16 Department of Public Safety shall enter an agreement regarding the  
17 responsibilities for costs associated with implementing this  
18 section.

19 (e) A county tax assessor-collector is not liable to any  
20 person for refusing to register a motor vehicle because of the  
21 person's failure to provide verification of the person's compliance  
22 with Subchapter F, Chapter 548.

23 SECTION 86. Section 502.005, Transportation Code, is  
24 transferred to Subchapter B, Chapter 502, Transportation Code,  
25 redesignated as Section 502.048, Transportation Code, and amended  
26 to read as follows:

27 Sec. 502.048 [~~502.005~~]. REFUSAL TO REGISTER UNSAFE

1 VEHICLE. [~~(a)~~] The department may refuse to register a motor  
2 vehicle and may cancel, suspend, or revoke a registration if the  
3 department determines that a motor vehicle is unsafe, improperly  
4 equipped, or otherwise unfit to be operated on a public highway.

5 [~~(b) The department may refuse to register a motorcycle and  
6 may suspend or revoke the registration of a motorcycle if the  
7 department determines that the motorcycle's braking system does not  
8 comply with Section 547.408.~~]

9 SECTION 87. Section 502.055(b), Transportation Code, is  
10 amended to read as follows:

11 (b) The department may require an applicant for  
12 registration under this chapter to provide the department with  
13 evidence of:

14 (1) the manufacturer's rated carrying capacity for the  
15 vehicle; or

16 (2) [~~the nominal tonnage rating of the vehicle,~~  
17 [~~(3)~~] the gross vehicle weight rating [~~of the vehicle,~~  
18 ~~or~~

19 [~~(4) any combination of information described in  
20 subdivisions (1)-(3).~~].

21 SECTION 88. Section 502.178, Transportation Code, is  
22 transferred to Subchapter B, Chapter 502, Transportation Code,  
23 redesignated as Section 502.057, Transportation Code, and amended  
24 to read as follows:

25 Sec. 502.057 [~~502.178~~]. REGISTRATION RECEIPT. [~~(a)~~] The  
26 department shall issue or require to be issued to the owner of a  
27 vehicle registered under this chapter a registration receipt

1 showing the information required by rule [+

2 [~~(1) the date of issuance,~~

3 [~~(2) the license number assigned to the vehicle,~~

4 [~~(3) the name and address of the owner, and~~

5 [~~(4) other information as determined by the~~

6 ~~department.~~

7 [~~(b) The registration receipt issued for a commercial motor~~

8 ~~vehicle, truck-tractor, trailer, or semitrailer must show the gross~~

9 ~~weight for which the vehicle is registered].~~

10 SECTION 89. Section 502.179, Transportation Code, is  
11 transferred to Subchapter B, Chapter 502, Transportation Code,  
12 redesignated as Section 502.058, Transportation Code, and amended  
13 to read as follows:

14 Sec. 502.058 [~~502.179~~]. DUPLICATE REGISTRATION RECEIPT.

15 (a) The owner of a vehicle for which the registration receipt has  
16 been lost or destroyed may obtain a duplicate receipt from the  
17 department or the county assessor-collector who issued the original  
18 receipt by paying a fee of \$2.

19 (b) The office issuing a duplicate receipt shall retain the  
20 fee received [~~as a fee of office~~].

21 SECTION 90. Section 502.180, Transportation Code, is  
22 transferred to Subchapter B, Chapter 502, Transportation Code,  
23 redesignated as Section 502.059, Transportation Code, and amended  
24 to read as follows:

25 Sec. 502.059 [~~502.180~~]. ISSUANCE OF [~~LICENSE PLATE OR~~]

26 REGISTRATION INSIGNIA. (a) On payment of the prescribed fee [~~7~~

27 ~~the department shall issue to]~~ an applicant for motor vehicle

1 registration shall be issued a [~~license plate or set of plates or a~~  
2 ~~device that, when attached to the vehicle as prescribed by the~~  
3 ~~department, is the~~] registration insignia [~~for the period for which~~  
4 ~~it was issued~~].

5 (b) [~~Subject to Subchapter I, the department shall issue~~  
6 ~~only one license plate or set of plates for a vehicle during a~~  
7 ~~five-year period.~~

8 [~~(c)~~] On application and payment of the prescribed fee for a  
9 renewal of the registration of a vehicle through the period set by  
10 rule [~~for the first, second, third, or fourth registration year~~  
11 ~~after the issuance of a license plate or set of plates for the~~  
12 ~~vehicle~~], the department shall issue a registration insignia for  
13 the validation of the license plate or plates to be attached as  
14 provided by Subsection (c) [~~(d)~~].

15 (c) [~~(d)~~] Except as provided by Subsection (f) [~~(h)~~], the  
16 registration insignia for validation of a license plate shall be  
17 attached to the inside of the vehicle's windshield, if the vehicle  
18 has a windshield, within six inches of the place where the motor  
19 vehicle inspection sticker is required to be placed. If the vehicle  
20 does not have a windshield, the owner, when applying for  
21 registration or renewal of registration, shall notify the  
22 department, and the department shall issue a distinctive device for  
23 attachment to the rear license plate of the vehicle.

24 (d) Department [~~(e) The department shall adopt rules for~~  
25 ~~the issuance and use of license plates and registration insignia~~  
26 ~~issued under this chapter. The~~] rules may provide for the use of an  
27 automated registration process, including:

1           (1) the automated on-site production of registration  
2 insignia; and

3           (2) automated on-premises and off-premises  
4 self-service registration.

5           (e) Subsection (c) does [~~(f) Subsections (b)-(d) do~~] not  
6 apply to:

7           (1) the issuance of specialized license plates as  
8 designated by the department, including state official license  
9 plates, exempt plates for governmental entities, and temporary  
10 registration plates; or

11           (2) the issuance or validation of replacement license  
12 plates, except as provided by Chapter 504 [~~Section 502.184~~].

13           (f) [~~(g) The department shall provide a separate and  
14 distinctive tab to be affixed to the license plate of an automobile,  
15 pickup, or recreational vehicle that is offered for rent, as a  
16 business, to any part of the public.~~]

17           [~~(h)~~] The registration insignia [~~for validation of a  
18 license plate~~] shall be attached to the rear license plate of the  
19 vehicle, if the vehicle is:

20           (1) a motorcycle;

21           (2) machinery used exclusively to drill water wells or  
22 construction machinery for which a distinguishing license plate has  
23 been issued under Section 502.146 [~~504.504~~]; or

24           (3) oil well servicing, oil clean out, or oil well  
25 drilling machinery or equipment for which a distinguishing license  
26 plate has been issued under Subchapter G, Chapter 623.

27           SECTION 91. Section 502.184, Transportation Code, as

1 effective September 1, 2011, is transferred to Subchapter B,  
2 Chapter 502, Transportation Code, redesignated as Section 502.060,  
3 Transportation Code, and amended to read as follows:

4       Sec. 502.060 [~~502.184~~]. REPLACEMENT OF REGISTRATION  
5 INSIGNIA. (a) The owner of a registered motor vehicle may obtain a  
6 replacement registration insignia by:

7           (1) certifying that the replacement registration  
8 insignia will not be used on any other vehicle owned or operated by  
9 the person making the statement;

10           (2) paying a fee of \$6 plus the fees required by  
11 Section 502.356(a) [~~502.1705(a)~~] for each replacement registration  
12 insignia, except as provided by other law; and

13           (3) returning each replaced registration insignia in  
14 the owner's possession.

15       (b) No fee is required under this section if the replacement  
16 fee for a license plate has been paid under Section 504.007  
17 [~~502.1841~~].

18       (c) [~~The fee for replacement of license plates issued under~~  
19 ~~Section 504.507 is the amount prescribed by the department as~~  
20 ~~necessary to recover the cost of providing the replacement plates.~~

21       [~~(d) If license plates approved under Section 504.501(b) or~~  
22 ~~504.502(c) are lost, stolen, or mutilated, the owner of the vehicle~~  
23 ~~may obtain approval of another set of license plates as provided by~~  
24 ~~Section 504.501 or 504.502, respectively. The fee for approval of~~  
25 ~~replacement license plates is \$5.~~

26       [~~(e)~~] A county assessor-collector may not issue a  
27 replacement registration insignia without complying with this



1 section.

2 (d) [~~(f)~~] A county assessor-collector shall retain \$2.50 of  
3 each fee collected under this section and shall report and send the  
4 remainder to the department.

5 [~~(g)~~ Replacement license plates may be used in the  
6 registration year in which the plates are issued and during each  
7 succeeding year of the five-year period as prescribed by Section  
8 502.180(b) if the registration insignia is properly attached.

9 [~~(h)~~ Subsection (g) does not apply to the issuance of  
10 specialized license plates as designated by the department,  
11 including state official license plates, exempt plates for  
12 governmental entities, and temporary registration plates.

13 [~~(i)~~ The owner of a vehicle listed in Section 502.180(h) may  
14 obtain replacement plates and a replacement registration insignia  
15 by paying a fee of \$5 plus the fees required by Sections 502.170(a)  
16 and 502.1705(a).]

17 SECTION 92. The heading to Subchapter C, Chapter 502,  
18 Transportation Code, is amended to read as follows:

19 SUBCHAPTER C. SPECIAL REGISTRATIONS [~~COUNTY ADMINISTRATION~~]

20 SECTION 93. Section 502.0025, Transportation Code, is  
21 transferred to Subchapter C, Chapter 502, Transportation Code,  
22 redesignated as Section 502.090, Transportation Code, and amended  
23 to read as follows:

24 Sec. 502.090 [~~502.0025~~]. EFFECT OF CERTAIN MILITARY  
25 SERVICE ON REGISTRATION REQUIREMENT. (a) This section applies  
26 only to a motor vehicle that is owned by a person who:

27 (1) is a resident of this state;

1           (2) is on active duty in the armed forces of the United  
2 States;

3           (3) is stationed in or has been assigned to another  
4 nation under military orders; and

5           (4) has registered the vehicle or been issued a  
6 license for the vehicle under the applicable status of forces  
7 agreement by:

8                   (A) the appropriate branch of the armed forces of  
9 the United States; or

10                   (B) the nation in which the person is stationed  
11 or to which the person has been assigned.

12           (b) Unless the registration or license issued for a vehicle  
13 described by Subsection (a) is suspended, canceled, or revoked by  
14 this state as provided by law:

15                   (1) Section 502.040(a) [~~502.002(a)~~] does not apply;  
16 and

17                   (2) the registration or license issued by the armed  
18 forces or host nation remains valid and the motor vehicle may be  
19 operated in this state under that registration or license for a  
20 period of not more than 90 days after the date on which the vehicle  
21 returns to this state.

22           SECTION 94. Section 502.054, Transportation Code, is  
23 transferred to Subchapter C, Chapter 502, Transportation Code,  
24 redesignated as Section 502.091, Transportation Code, and amended  
25 to read as follows:

26           Sec. 502.091 [~~502.054~~]. INTERNATIONAL REGISTRATION PLAN  
27 [~~AGREEMENTS WITH OTHER JURISDICTIONS; OFFENSE~~].       (a) The

1 department, through its director, may enter into an agreement with  
2 an authorized officer of another jurisdiction, including another  
3 state of the United States, a foreign country or a state, province,  
4 territory, or possession of a foreign country, to provide for:

5 (1) the registration of vehicles by residents of this  
6 state and nonresidents on an allocation or mileage apportionment  
7 plan, as under the International Registration Plan; and

8 (2) the exemption from payment of registration fees by  
9 nonresidents if residents of this state are granted reciprocal  
10 exemptions.

11 (b) The department may adopt and enforce rules to carry out  
12 the International Registration Plan or other agreement under this  
13 section.

14 (c) To carry out the International Registration Plan or  
15 other agreement under this section, the department shall direct  
16 that fees collected for other jurisdictions under the agreement be  
17 deposited to the credit of the proportional registration  
18 distributive fund in the state treasury and distributed to the  
19 appropriate jurisdiction through that fund. The department is not  
20 required to refund any amount less than \$10 unless required by the  
21 plan.

22 (d) This section prevails to the extent of conflict with  
23 another law relating to the subject of this section.

24 (e) A person commits an offense if the person owns or  
25 operates a vehicle not registered in this state in violation of:

26 (1) an agreement under this section; or

27 (2) the applicable registration laws of this state, in

1 the absence of an agreement under this section.

2 (f) An offense under Subsection (e) is a misdemeanor  
3 punishable by a fine not to exceed \$200.

4 SECTION 95. Section 502.355, Transportation Code, is  
5 transferred to Subchapter C, Chapter 502, Transportation Code,  
6 redesignated as Section 502.092, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.092 [~~502.355~~]. NONRESIDENT-OWNED VEHICLES USED  
9 TO TRANSPORT FARM PRODUCTS[~~, OFFENSE~~]. (a) The department may  
10 issue to a nonresident owner a permit for a truck, truck-tractor,  
11 trailer, or semitrailer that:

12 (1) is registered in the owner's home state or country;  
13 and

14 (2) will be used to transport:

15 (A) farm products produced in this state from the  
16 place of production to a place of market or storage or a railhead  
17 that is not more than 75 miles from the place of production;

18 (B) machinery used to harvest farm products  
19 produced in this state; or

20 (C) farm products produced outside this state  
21 from the point of entry into this state to a place of market,  
22 storage, or processing or a railhead or seaport that is not more  
23 than 80 miles from the point of entry.

24 (b) The department shall issue a distinguishing insignia  
25 for a vehicle issued a permit under this section. The insignia must  
26 be attached to the vehicle in lieu of regular license plates and  
27 must show the permit expiration date. A permit issued under this

1 section is valid until the earlier of:

2 (1) the date the vehicle's registration in the owner's  
3 home state or country expires; or

4 (2) the 30th day after the date the permit is issued.

5 (c) A person may obtain a permit under this section by:

6 (1) applying to the department in a manner [~~on a form~~]  
7 prescribed by the department;

8 (2) paying a fee equal to 1/12 the registration fee  
9 prescribed by this chapter for the vehicle;

10 (3) furnishing satisfactory evidence that the motor  
11 vehicle is insured under an insurance policy that complies with  
12 Section 601.072 and that is written by:

13 (A) an insurance company or surety company  
14 authorized to write motor vehicle liability insurance in this  
15 state; or

16 (B) with the department's approval, a surplus  
17 lines insurer that meets the requirements of Chapter 981, Insurance  
18 Code, and rules adopted by the commissioner of insurance under that  
19 chapter, if the applicant is unable to obtain insurance from an  
20 insurer described by Paragraph (A); and

21 (4) furnishing evidence that the vehicle has been  
22 inspected as required under Chapter 548.

23 (d) A nonresident owner may not obtain more than three  
24 permits under this section during a registration year.

25 (e) A vehicle for which a permit is issued under this  
26 section may not be operated in this state after the permit expires  
27 unless the owner:

1           (1) obtains another temporary permit; or  
2           (2) registers the vehicle under Section 502.253,  
3 502.254, 502.255 [~~502.162~~, ~~502.165~~, ~~502.166~~], or 502.256  
4 [~~502.167~~], as appropriate, for the remainder of the registration  
5 year.

6           (f) A vehicle for which a permit is issued under this  
7 section may not be registered under Section 502.433 [~~502.163~~].

8           (g) A mileage referred to in this section is a state highway  
9 mileage.

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

12                 ~~[(1) transports farm products to a place of market,~~  
13 ~~storage, or processing or a railhead or seaport that is farther from~~  
14 ~~the place of production or point of entry, as appropriate, than the~~  
15 ~~distance provided for in the permit; or~~

16                 ~~[(2) follows a route other than that prescribed by the~~  
17 ~~board.~~

18          ~~[(i) An offense under Subsection (h) is a misdemeanor~~  
19 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

20          SECTION 96. Section 502.353, Transportation Code, is  
21 transferred to Subchapter C, Chapter 502, Transportation Code,  
22 redesignated as Section 502.093, Transportation Code, and amended  
23 to read as follows:

24          Sec. 502.093 [~~502.353~~]. [~~FOREIGN COMMERCIAL VEHICLES,~~  
25 ANNUAL PERMITS [~~, OFFENSE~~]. (a) The department may issue an annual  
26 permit in lieu of registration to a foreign commercial motor  
27 vehicle, trailer, or semitrailer that [+]

1           ~~[(1)]~~ is subject to registration in this state [~~+~~] and  
2           ~~[(2)]~~ is not authorized to travel on a public highway  
3 because of the lack of registration in this state or the lack of  
4 reciprocity with the state or country in which the vehicle is  
5 registered.

6           (b) A permit issued under this section [~~+~~  
7           ~~[(1)] is in lieu of registration; and~~  
8           ~~[(2)]~~ is valid for a vehicle registration year to  
9 begin on the first day of a calendar month designated by the  
10 department and end on the last day of the last calendar month of the  
11 registration year.

12           (c) A permit may not be issued under this section for the  
13 importation of citrus fruit into this state from a foreign country  
14 except for foreign export or processing for foreign export.

15           (d) A person may obtain a permit under this section by:

16           (1) applying in the manner prescribed by [~~+~~] the  
17 department;

18           (2) paying a fee in the amount required by Subsection  
19 (e) in the manner prescribed by the department, including a service  
20 charge for a credit card payment or escrow account [~~cash or by~~  
21 ~~postal money order or certified check~~]; and

22           (3) furnishing evidence of financial responsibility  
23 for the motor vehicle that complies with Sections 502.046(c)  
24 [~~502.153(c)~~] and 601.168(a), the policies to be written by an  
25 insurance company or surety company authorized to write motor  
26 vehicle liability insurance in this state.

27           (e) The fee for a permit under this section is the fee that

1 would be required for registering the vehicle under Section 502.253  
2 [~~502.162~~] or 502.255 [~~502.167~~], except as provided by Subsection  
3 (f).

4 (f) A vehicle registered under this section is exempt from  
5 the token fee and is not required to display the associated  
6 distinguishing license plate if the vehicle:

7 (1) is a semitrailer that has a gross weight of more  
8 than 6,000 pounds; and

9 (2) is used or intended to be used in combination with  
10 a truck tractor or commercial motor vehicle with a gross vehicle  
11 weight [~~manufacturer's rated carrying capacity~~] of more than 10,000  
12 pounds [~~one ton~~].

13 (g) A vehicle registered under this section is not subject  
14 to the fee required by Section 502.401 [~~502.172~~] or 502.403  
15 [~~502.173~~].

16 [~~(h) The department may:~~

17 [~~(1) adopt rules to administer this section, and~~

18 [~~(2) prescribe an application for a permit and other~~  
19 ~~forms under this section.~~

20 [~~(i) A person who violates this section commits an offense.~~  
21 ~~An offense under this section is a misdemeanor punishable by a fine~~  
22 ~~not to exceed \$200.~~]

23 SECTION 97. Section 502.352, Transportation Code, is  
24 transferred to Subchapter C, Chapter 502, Transportation Code,  
25 redesignated as Section 502.094, Transportation Code, and amended  
26 to read as follows:

27 Sec. 502.094 [~~502.352~~]. 72- OR 144-HOUR PERMITS [~~FOREIGN~~



1 ~~COMMERCIAL VEHICLES~~]. (a) The department may issue a temporary  
2 registration permit in lieu of registration for a commercial motor  
3 vehicle, trailer, semitrailer, or motor bus that:

4 (1) is owned by a resident of the United States,  
5 Canada, or the United Mexican States;

6 (2) is subject to registration in this state; and

7 (3) is not authorized to travel on a public highway  
8 because of the lack of registration in this state or the lack of  
9 reciprocity with the state or province in which the vehicle is  
10 registered.

11 (b) A permit issued under this section [+

12 ~~[(1) is in lieu of registration, and~~

13 ~~[(2)]~~ is valid for the period stated on the permit,  
14 effective from the date and time shown on the receipt issued as  
15 evidence of registration under this section.

16 (c) A person may obtain a permit under this section by:

17 (1) applying to the county assessor-collector, the  
18 department, or the department's wire service agent, if the  
19 department has a wire service agent;

20 (2) paying a fee of \$25 for a 72-hour permit or \$50 for  
21 a 144-hour permit in the manner prescribed by the department that  
22 may include a service charge for a credit card payment or escrow  
23 account [+

24 ~~[(A) in cash,~~

25 ~~[(B) by postal money order,~~

26 ~~[(C) by certified check,~~

27 ~~[(D) by wire transfer through the department's~~

1 ~~wire service agent, if any;~~  
2                   ~~[(E) by an escrow account; or~~  
3                   ~~[(F) where the service is provided, by a credit~~  
4 ~~card issued by:~~  
5                   ~~[(i) a financial institution chartered by a~~  
6 ~~state or the United States; or~~  
7                   ~~[(ii) a nationally recognized credit~~  
8 ~~organization approved by the board;~~  
9                   ~~[(3) paying a discount or service charge for a credit~~  
10 ~~card payment or escrow account, in addition to the fee];~~  
11                (3) ~~[(4)]~~ furnishing           to           the           county  
12 assessor-collector, the department, or the department's wire  
13 service agent, evidence of financial responsibility for the vehicle  
14 that complies with Sections 502.046(c) ~~[502.153(c)]~~ and 601.168(a)  
15 ~~[and is written by an insurance company or surety company~~  
16 ~~authorized to write motor vehicle liability insurance in this~~  
17 ~~state]; and~~  
18                (4) ~~[(5)]~~ submitting a copy of the applicable federal  
19 declaration form required by the Federal Motor Carrier Safety  
20 Administration or its successor in connection with the importation  
21 of a motor vehicle or motor vehicle equipment subject to the federal  
22 motor vehicle safety, bumper, and theft prevention standards.  
23                (d) A county assessor-collector shall report and send a fee  
24 collected under this section in the manner provided by Section  
25 502.198 ~~[Sections 502.102 and 502.105]~~. Each week, a wire service  
26 agent shall send to the department a report of all permits issued by  
27 the agent during the previous week. The board ~~[department]~~ by rule

1 shall prescribe the format [~~form~~] and content of a report required  
2 by this subsection.

3 (e) [~~The department may:~~  
4 [~~(1) adopt rules to administer this section, and~~  
5 [~~(2) prescribe an application for a permit and other~~  
6 ~~forms under this section.~~

7 [~~(f)~~] A vehicle issued a permit under this section is  
8 subject to Subchapters B and F, Chapter 548, unless the vehicle:

9 (1) is registered in another state of the United  
10 States, in a province of Canada, or in a state of the United Mexican  
11 States; or

12 (2) is mobile drilling or servicing equipment used in  
13 the production of gas, crude petroleum, or oil, including a mobile  
14 crane or hoisting equipment, mobile lift equipment, forklift, or  
15 tug.

16 (f) [~~(g)~~] A commercial motor vehicle, trailer, semitrailer,  
17 or motor bus apprehended for violating a registration law of this  
18 state:

19 (1) may not be issued a permit under this section; and  
20 (2) is immediately subject to registration in this  
21 state.

22 (g) [~~(h)~~] A person who operates a commercial motor vehicle,  
23 trailer, or semitrailer with an expired permit issued under this  
24 section is considered to be operating an unregistered vehicle  
25 subject to each penalty prescribed by law.

26 (h) [~~(i)~~] The department may establish one or more escrow  
27 accounts in the state highway fund for the prepayment of a 72-hour

1 permit or a 144-hour permit. Any fee established by the department  
2 for the administration of this subsection shall be administered as  
3 required by an agreement entered into by the department.

4 SECTION 98. Section 502.354, Transportation Code, is  
5 transferred to Subchapter C, Chapter 502, Transportation Code,  
6 redesignated as Section 502.095, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.095 [~~502.354~~]. ONE-TRIP [~~SINGLE~~] OR 30-DAY TRIP  
9 PERMITS [~~, OFFENSE~~]. (a) The department may issue a temporary  
10 permit in lieu of registration for a vehicle [~~that~~

11 [~~(1) is~~] subject to registration in this state that [~~+~~  
12 ~~and~~

13 [~~(2)~~] is not authorized to travel on a public highway  
14 because of the lack of registration in this state or the lack of  
15 reciprocity with the state or country in which the vehicle is  
16 registered.

17 (b) A permit issued under this section [~~+~~

18 [~~(1) is in lieu of registration, and~~

19 [~~(2)~~] is valid for:

20 (1) [~~(A)~~] one trip, as provided by Subsection (c); or

21 (2) [~~(B)~~] 30 days, as provided by Subsection (d).

22 (c) A one-trip permit is valid for one trip between the  
23 points of origin and destination and those intermediate points  
24 specified in the application and registration receipt. Unless the  
25 vehicle is a bus operating under charter that is not covered by a  
26 reciprocity agreement with the state or country in which the bus is  
27 registered, a one-trip permit is for the transit of the vehicle

1 only, and the vehicle may not be used for the transportation of any  
2 passenger or property. A one-trip permit may not be valid for  
3 longer than 15 days from the effective date of registration.

4 (d) A 30-day permit may be issued only to a passenger  
5 vehicle, a private bus, a trailer or semitrailer with a gross weight  
6 of not more than 10,000 pounds, a light truck, or a light commercial  
7 vehicle with a gross vehicle weight [~~manufacturer's rated carrying~~  
8 ~~capacity~~] of more than 10,000 pounds [~~one ton~~] that will operate  
9 unladen. A person may obtain multiple 30-day permits. The  
10 department may issue a single registration receipt to apply to all  
11 of the periods for which the vehicle is registered.

12 (e) A person may obtain a permit under this section by:

13 (1) applying as [~~on a form~~] provided by the department  
14 to:

15 (A) the county assessor-collector of the county  
16 in which the vehicle will first be operated on a public highway; or

17 (B) the department in Austin or at one of the  
18 department's vehicle title and registration regional offices;

19 (2) paying a fee, in the manner prescribed by the  
20 department including a registration service charge for a credit  
21 card payment or escrow account [~~cash or by postal money order or~~  
22 ~~certified check,~~] of:

23 (A) \$5 for a one-trip permit; or

24 (B) \$25 for each 30-day period; and

25 (3) furnishing evidence of financial responsibility  
26 for the vehicle in a form listed under Section 502.046(c)  
27 [~~502.153(c)~~].

1           (f) A registration receipt [~~and temporary tag~~] shall be  
2 carried in the vehicle at all times during the period in which it is  
3 valid [~~issued on forms provided by the department~~]. The temporary  
4 tag must contain all pertinent information required by this section  
5 and must be displayed in the rear window of the vehicle so that the  
6 tag is clearly visible and legible when viewed from the rear of the  
7 vehicle. If the vehicle does not have a rear window, the temporary  
8 tag must be attached on or carried in the vehicle to allow ready  
9 inspection. The registration receipt must be carried in the  
10 vehicle at all times during the period in which it is valid.

11           (g) The department may refuse and may instruct a county  
12 assessor-collector to refuse to issue a temporary registration for  
13 any vehicle if, in the department's opinion, the vehicle or the  
14 owner of the vehicle has been involved in operations that  
15 constitute an abuse of the privilege granted by this section. A  
16 registration issued after notice to a county assessor-collector  
17 under this subsection is void.

18           ~~[(h) A person issued a temporary registration under this~~  
19 ~~section who operates a vehicle in violation of Subsection (f)~~  
20 ~~commits an offense. An offense under this subsection is a Class C~~  
21 ~~misdemeanor.~~

22           ~~[(i) The department may:~~  
23                   ~~[(1) adopt rules to administer this section, and~~  
24                   ~~[(2) prescribe an application for a permit and other~~  
25 ~~forms under this section.]~~

26           SECTION 99. The heading to Subchapter D, Chapter 502,  
27 Transportation Code, is amended to read as follows:

1 SUBCHAPTER D. VEHICLES NOT ISSUED REGISTRATION [~~PROCEDURES AND~~  
2 ~~FEES~~]

3 SECTION 100. Section 502.006, Transportation Code, is  
4 transferred to Subchapter D, Chapter 502, Transportation Code,  
5 redesignated as Section 502.140, Transportation Code, and amended  
6 to read as follows:

7 Sec. 502.140 [~~502.006~~]. CERTAIN OFF-HIGHWAY VEHICLES.

8 (a) Except as provided by Subsection (b), a person may not register  
9 an all-terrain vehicle or a recreational off-highway vehicle, with  
10 or without design alterations, for operation on a public highway.

11 (b) The state, a county, or a municipality may register an  
12 all-terrain vehicle or a recreational off-highway vehicle for  
13 operation on a public beach or highway to maintain public safety and  
14 welfare.

15 (c) A recreational off-highway vehicle registered as  
16 provided by Subsection (b) may be operated on a public or private  
17 beach in the same manner as a golf cart may be operated on a public  
18 or private beach under Section 551.403 [~~502.0071~~]. The operator  
19 must hold and have in the operator's possession a driver's license  
20 issued under Chapter 521 or a commercial driver's license issued  
21 under Chapter 522.

22 (d) Section 504.401 [~~502.172~~] does not apply to an  
23 all-terrain vehicle or a recreational off-highway vehicle.

24 (e) Operation of an all-terrain vehicle or recreational  
25 off-highway vehicle in compliance with Section 663.037 does not  
26 require registration under Subsection (b).

27 SECTION 101. Section 502.0072, Transportation Code, is

1 transferred to Subchapter D, Chapter 502, Transportation Code, and  
2 redesignated as Section 502.142, Transportation Code, to read as  
3 follows:

4       Sec. 502.142 [~~502.0072~~].                   MANUFACTURED       HOUSING.  
5 Manufactured housing, as defined by Section 1201.003, Occupations  
6 Code, is not a vehicle subject to this chapter.

7       SECTION 102. Section 502.0073, Transportation Code, is  
8 transferred to Subchapter D, Chapter 502, Transportation Code,  
9 redesignated as Section 502.143, Transportation Code, and amended  
10 to read as follows:

11       Sec. 502.143 [~~502.0073~~].   OTHER VEHICLES [~~POWER SWEEPERS~~].

12 [~~(a)~~] An owner may [~~of a power sweeper is~~] not [~~required to~~]  
13 register the following vehicles for operation on a public highway:

- 14               (1) power sweepers;
- 15               (2) motorized mobility devices;
- 16               (3) electric personal assistive mobility devices; and
- 17               (4) electric bicycles [~~sweeper~~].

18       [~~(b) In this section, "power sweeper" means an implement,~~  
19 ~~with or without motive power, designed for the removal by broom,~~  
20 ~~vacuum, or regenerative air system of debris, dirt, gravel, litter,~~  
21 ~~or sand from asphaltic concrete or cement concrete surfaces,~~  
22 ~~including surfaces of parking lots, roads, streets, highways, and~~  
23 ~~warehouse floors. The term includes a vehicle on which the~~  
24 ~~implement is permanently mounted if the vehicle is used only as a~~  
25 ~~power sweeper.~~]

26       SECTION 103. Section 502.0078, Transportation Code, is  
27 transferred to Subchapter D, Chapter 502, Transportation Code, and



1 redesignated as Section 502.144, Transportation Code, to read as  
2 follows:

3       Sec. 502.144 [~~502.0078~~].       VEHICLES OPERATED ON PUBLIC  
4 HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL.  
5 Where a public highway separates real property under the control of  
6 the owner of a motor vehicle, the operation of the motor vehicle by  
7 the owner or the owner's agent or employee across the highway is not  
8 a use of the motor vehicle on the public highway.

9       SECTION 104. Section 502.0079, Transportation Code, is  
10 transferred to Subchapter D, Chapter 502, Transportation Code,  
11 redesignated as Section 502.145, Transportation Code, and amended  
12 to read as follows:

13       Sec. 502.145 [~~502.0079~~].       VEHICLES OPERATED BY CERTAIN  
14 NONRESIDENTS.   (a) [~~A nonresident owner of a motor vehicle,~~  
15 ~~trailer, or semitrailer that is registered in the state or country~~  
16 ~~in which the person resides may operate the vehicle to transport~~  
17 ~~persons or property for compensation without being registered in~~  
18 ~~this state, if the person does not exceed two trips in a calendar~~  
19 ~~month and each trip does not exceed four days.~~

20       [~~(b) A nonresident owner of a privately owned vehicle that~~  
21 ~~is not registered in this state may not make more than five~~  
22 ~~occasional trips in any calendar month into this state using the~~  
23 ~~vehicle. Each occasional trip into this state may not exceed five~~  
24 ~~days.~~

25       [~~(c)~~] A nonresident owner of a privately owned passenger car  
26 that is registered in the state or country in which the person  
27 resides and that is not operated for compensation may operate the

1 car in this state for the period in which the car's license plates  
2 are valid. In this subsection, "nonresident" means a resident of a  
3 state or country other than this state whose presence in this state  
4 is as a visitor and who does not engage in gainful employment or  
5 enter into business or an occupation, except as may otherwise be  
6 provided by any reciprocal agreement with another state or country.

7 (b) [~~(a)~~] This section does not prevent:

8 (1) a nonresident owner of a motor vehicle from  
9 operating the vehicle in this state for the sole purpose of  
10 marketing farm products raised exclusively by the person; or

11 (2) a resident of an adjoining state or country from  
12 operating in this state a privately owned and registered vehicle to  
13 go to and from the person's place of regular employment and to make  
14 trips to purchase merchandise, if the vehicle is not operated for  
15 compensation.

16 (c) [~~(e)~~] The privileges provided by this section may be  
17 allowed only if, under the laws of the appropriate state or country,  
18 similar privileges are granted to vehicles registered under the  
19 laws of this state and owned by residents of this state.

20 (d) [~~(f)~~] This section does not affect the right or status  
21 of a vehicle owner under any reciprocal agreement between this  
22 state and another state or country.

23 SECTION 105. Section 504.504, Transportation Code, is  
24 transferred to Subchapter D, Chapter 502, Transportation Code,  
25 redesignated as Section 502.146, Transportation Code, and amended  
26 to read as follows:

27 Sec. 502.146 [~~504.504~~]. CERTAIN FARM VEHICLES AND DRILLING

1 AND CONSTRUCTION EQUIPMENT. (a) The department shall issue  
2 specialty license plates to a vehicle described by Subsection (b)  
3 or (c). The fee for the license plates is \$5.

4 (b) An owner is not required to register a vehicle that is  
5 used only temporarily on the highways if the vehicle is:

6 (1) a farm trailer or farm semitrailer with a gross  
7 weight of more than 4,000 pounds but not more than 34,000 pounds  
8 that is used exclusively to transport:

9 (A) seasonally harvested agricultural products  
10 or livestock from the place of production to the place of  
11 processing, market, or storage; or

12 (B) farm supplies from the place of loading to  
13 the farm;

14 (2) machinery used exclusively for the purpose of  
15 drilling water wells; ~~or~~

16 (3) oil well servicing or drilling machinery and if at  
17 the time of obtaining the license plates, the applicant submits  
18 proof that the applicant has a permit under Section 623.142; or

19 (4) construction machinery ~~[that is not designed to~~  
20 ~~transport persons or property on a public highway]~~.

21 (c) An owner is not required to register a vehicle that is:

22 (1) a farm trailer or farm semitrailer owned by a  
23 cotton gin and used exclusively to transport agricultural products  
24 without charge from the place of production to the place of  
25 processing, market, or storage;

26 (2) a trailer used exclusively to transport fertilizer  
27 without charge from a place of supply or storage to a farm; or

1           (3) a trailer used exclusively to transport cottonseed  
2 without charge from a place of supply or storage to a farm or place  
3 of processing.

4           (d) A vehicle described by Subsection (b) is exempt from the  
5 inspection requirements of Subchapters B and F, Chapter 548.

6           (e) This section does not apply to a farm trailer or farm  
7 semitrailer that:

8                 (1) is used for hire;

9                 (2) has metal tires operating in contact with the  
10 highway;

11                (3) is not equipped with an adequate hitch pinned or  
12 locked so that it will remain securely engaged to the towing vehicle  
13 while in motion; or

14                (4) is not operated and equipped in compliance with  
15 all other law.

16           (f) A vehicle to which this section applies that is operated  
17 on a public highway in violation of this section is considered to be  
18 operated while unregistered and is immediately subject to the  
19 applicable registration fees and penalties prescribed by this  
20 chapter [~~Chapter 502~~].

21           (g) In this section, the gross weight of a trailer or  
22 semitrailer is the combined weight of the vehicle and the load  
23 carried on the highway.

24           SECTION 106. The heading to Subchapter E, Chapter 502,  
25 Transportation Code, is amended to read as follows:

1 SUBCHAPTER E. ADMINISTRATION OF FEES [~~SPECIALLY DESIGNATED LICENSE~~  
2 ~~PLATES; EXEMPTIONS FOR GOVERNMENTAL AND QUASI-GOVERNMENTAL~~  
3 ~~VEHICLES~~]

4 SECTION 107. Section 502.159, Transportation Code, is  
5 transferred to Subchapter E, Chapter 502, Transportation Code,  
6 redesignated as Section 502.190, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.190 [~~502.159~~]. SCHEDULE OF REGISTRATION FEES.  
9 The department shall post [~~compile and furnish to each county~~  
10 ~~assessor-collector~~] a complete schedule of registration fees on the  
11 Internet [~~to be collected on the various makes, models, and types of~~  
12 ~~vehicles~~].

13 SECTION 108. Section 502.004, Transportation Code, is  
14 transferred to Subchapter E, Chapter 502, Transportation Code,  
15 redesignated as Section 502.191, Transportation Code, and amended  
16 to read as follows:

17 Sec. 502.191 [~~502.004~~]. COLLECTION OF FEES. (a) A person  
18 may not collect a registration fee under this chapter unless the  
19 person is:

- 20 (1) an officer or employee of the department; or  
21 (2) a county assessor-collector or a deputy county  
22 assessor-collector.

23 (b) The department may accept electronic payment by  
24 electronic funds transfer, credit card, or debit card of any fee  
25 that the department is authorized to collect under this chapter.

26 (c) The department may collect a fee for processing a  
27 payment by electronic funds transfer, credit card, or debit card.

1 The amount of the fee must be reasonably related to the expense  
2 incurred by the department in processing the payment by electronic  
3 funds transfer, credit card, or debit card and may not be more than  
4 five percent of the amount of the fee being paid.

5 (d) In addition to the fee authorized by Subsection (c), the  
6 department may collect from a person making payment by electronic  
7 funds transfer, credit card, or debit card an amount equal to the  
8 amount of any transaction fee charged to the department by a vendor  
9 providing services in connection with payments made by electronic  
10 funds transfer, credit card, or debit card. The limitation  
11 prescribed by Subsection (c) on the amount of a fee does not apply  
12 to a fee collected under this subsection.

13 (e) If, for any reason, the payment of a fee under this  
14 chapter by electronic funds transfer, credit card, or debit card is  
15 not honored by the funding institution or by the electronic funds  
16 transfer, credit card, or debit card company on which the funds are  
17 drawn, the department may collect from the person who owes the fee  
18 being collected a service charge that is for the collection of that  
19 original amount and is in addition to the original fee. The amount  
20 of the service charge must be reasonably related to the expense  
21 incurred by the department in collecting the original amount.

22 SECTION 109. Subchapter E, Chapter 502, Transportation  
23 Code, is amended by adding Section 502.192 to read as follows:

24 Sec. 502.192. TRANSFER FEE. The purchaser of a used motor  
25 vehicle shall pay, in addition to any fee required under Chapter 501  
26 for the transfer of title, a transfer fee of \$2.50 for the transfer  
27 of the registration of the motor vehicle. The county

1 assessor-collector may retain as commission for services provided  
2 under this subchapter half of each transfer fee collected.

3 SECTION 110. Section 502.181, Transportation Code, is  
4 transferred to Subchapter E, Chapter 502, Transportation Code,  
5 redesignated as Section 502.193, Transportation Code, and amended  
6 to read as follows:

7 Sec. 502.193 [~~502.181~~]. PAYMENT [~~OF REGISTRATION FEE~~] BY  
8 CHECK DRAWN AGAINST INSUFFICIENT FUNDS. (a) A county  
9 assessor-collector who receives from any person a check or draft  
10 for [~~drawn on a bank or trust company in~~] payment of a registration  
11 fee for a registration year that has not ended [~~on a motor vehicle,~~  
12 ~~trailer, or motorcycle sidecar~~] that is returned unpaid because of  
13 insufficient funds or no funds in the bank or trust company to the  
14 credit of the drawer of the check or draft shall certify the fact to  
15 the sheriff or a constable or highway patrol officer in the county  
16 after attempts to contact the person fail to result in the  
17 collection of payment. The certification must be made before the  
18 30th day after the date the check or draft is returned unpaid and:

- 19 (1) be under the assessor-collector's official seal;  
20 (2) include the name and address of the person who gave  
21 the [~~assessor-collector the~~] check or draft;  
22 (3) include the license plate number and make of the  
23 vehicle;  
24 (4) be accompanied by the check or draft; and  
25 (5) be accompanied by documentation of any attempt to  
26 contact the person and collect payment.

27 (b) On receiving a complaint under Subsection (a) from the

1 county assessor-collector, the sheriff, constable, or highway  
2 patrol officer shall find the person who gave the  
3 ~~[assessor-collector the]~~ check or draft, if the person is in the  
4 county, and demand immediate redemption of the check or draft from  
5 the person. If the person fails or refuses to redeem the check or  
6 draft, the sheriff, constable, or highway patrol officer shall:

7 (1) seize and remove the license plates and  
8 registration insignia from the vehicle; and

9 (2) return the license plates and registration  
10 insignia to the county assessor-collector.

11 SECTION 111. Section 502.182, Transportation Code, is  
12 transferred to Subchapter E, Chapter 502, Transportation Code,  
13 redesignated as Section 502.194, Transportation Code, and amended  
14 to read as follows:

15 Sec. 502.194 ~~[502.182]~~. CREDIT FOR REGISTRATION FEE PAID ON  
16 MOTOR VEHICLE SUBSEQUENTLY DESTROYED. (a) The owner of a motor  
17 vehicle that is destroyed to the extent that it cannot afterwards be  
18 operated on a public highway is entitled to a registration fee  
19 credit if the prorated portion of the registration fee for the  
20 remainder of the registration year is more than \$15. The owner must  
21 claim the credit by [+

22 ~~[(1)]~~ sending the registration fee receipt ~~[and the~~  
23 ~~license plates]~~ for the vehicle to the department ~~[, and~~

24 ~~[(2)]~~ ~~executing a statement on a form provided by the~~  
25 ~~department showing that the license plates have been surrendered to~~  
26 ~~the department]~~.

27 (b) The department, on satisfactory proof that the vehicle



1 is destroyed, shall issue a registration fee credit slip to the  
2 owner in an amount equal to the prorated portion of the registration  
3 fee for the remainder of the registration year. The owner, during  
4 the same or the next registration year, may use the registration fee  
5 credit slip as payment or part payment for the registration of  
6 another vehicle to the extent of the credit.

7 ~~[(c) A statement executed under Subsection (a)(2) shall be  
8 delivered to a purchaser of the destroyed vehicle. The purchaser  
9 may surrender the statement to the department in lieu of the vehicle  
10 license plates.]~~

11 ~~[(d) The department shall adopt rules to administer this  
12 section.]~~

13 SECTION 112. Section 502.183, Transportation Code, is  
14 transferred to Subchapter E, Chapter 502, Transportation Code,  
15 redesignated as Section 502.195, Transportation Code, and amended  
16 to read as follows:

17 Sec. 502.195 ~~[502.183]~~. REFUND OF OVERCHARGED  
18 REGISTRATION FEE. (a) The owner of a motor vehicle ~~[that is  
19 required to be registered]~~ who pays an annual registration fee in  
20 excess of the statutory amount is entitled to a refund of the  
21 overcharge.

22 (b) The county assessor-collector who collects the  
23 excessive fee shall refund an overcharge on presentation to the  
24 assessor-collector of satisfactory evidence of the overcharge~~[-  
25 The owner must make a claim for a refund of an overcharge]~~ not later  
26 than the first ~~[fifth]~~ anniversary of the date the excessive  
27 registration fee was paid.

1 (c) A refund shall be paid from the fund in which the  
2 county's share of registration fees is deposited.

3 SECTION 113. Section 502.051, Transportation Code, is  
4 transferred to Subchapter E, Chapter 502, Transportation Code, and  
5 redesignated as Section 502.196, Transportation Code, to read as  
6 follows:

7 Sec. 502.196 [~~502.051~~]. DEPOSIT OF REGISTRATION FEES IN  
8 STATE HIGHWAY FUND. Except as otherwise provided by this chapter,  
9 the board and the department shall deposit all money received from  
10 registration fees in the state treasury to the credit of the state  
11 highway fund.

12 SECTION 114. Section 502.101, Transportation Code, is  
13 transferred to Subchapter E, Chapter 502, Transportation Code, and  
14 redesignated as Section 502.197, Transportation Code, to read as  
15 follows:

16 Sec. 502.197 [~~502.101~~]. REGISTRATION BY MAIL OR ELECTRONIC  
17 MEANS; SERVICE CHARGE. (a) A county assessor-collector may  
18 collect a service charge of \$1 from each applicant registering a  
19 vehicle by mail. The service charge shall be used to pay the costs  
20 of handling and postage to mail the registration receipt and  
21 insignia to the applicant.

22 (b) With the approval of the commissioners court of a  
23 county, a county assessor-collector may contract with a private  
24 entity to enable an applicant for registration to use an electronic  
25 off-premises location. A private entity may charge an applicant  
26 not more than \$1 for the service provided.

27 (c) The department may adopt rules to cover the timely

1 application for and issuance of registration receipts and insignia  
2 by mail or through an electronic off-premises location.

3 SECTION 115. Section 502.102, Transportation Code, is  
4 transferred to Subchapter E, Chapter 502, Transportation Code,  
5 redesignated as Section 502.198, Transportation Code, and amended  
6 to read as follows:

7 Sec. 502.198 [~~502.102~~]. DISPOSITION OF FEES GENERALLY.

8 (a) Except as provided by Sections 502.1982 [~~502.103~~] and 502.357  
9 [~~502.104~~], this section applies to all fees collected by a county  
10 assessor-collector under this chapter.

11 (b) Each Monday, a county assessor-collector shall credit  
12 to the county road and bridge fund an amount equal to the net  
13 collections made during the preceding week until the amount so  
14 credited for the calendar year equals the total of:

15 (1) \$60,000;

16 (2) \$350 for each mile of county road maintained by the  
17 county, according to the most recent information available from the  
18 department, not to exceed 500 miles; and

19 (3) an additional amount of fees equal to the amount  
20 calculated under Section 502.1981 [~~502.1025~~].

21 (c) After the credits to the county road and bridge fund  
22 equal the total computed under Subsection (b), each Monday the  
23 county assessor-collector shall:

24 (1) credit to the county road and bridge fund an amount  
25 equal to 50 percent of the net collections made during the preceding  
26 week, until the amount so credited for the calendar year equals  
27 \$125,000; and

1           (2) send to the department an amount equal to 50  
2 percent of those collections.

3           (d) After the credits to the county road and bridge fund  
4 equal the total amounts computed under Subsections (b) and (c)(1),  
5 each Monday the county assessor-collector shall send to the  
6 department all collections made during the preceding week.

7           ~~[(c) Each Monday the county assessor-collector shall send  
8 to the department a copy of each receipt issued the previous week  
9 for a registration fee under this chapter.]~~

10           SECTION 116. Section 502.1025, Transportation Code, is  
11 transferred to Subchapter E, Chapter 502, Transportation Code,  
12 redesignated as Section 502.1981, Transportation Code, and amended  
13 to read as follows:

14           Sec. 502.1981 [~~502.1025~~]. CALCULATION OF ADDITIONAL FEE  
15 AMOUNTS RETAINED BY A COUNTY.       (a) The county tax  
16 assessor-collector each calendar year shall calculate five percent  
17 of the tax and penalties collected by the county tax  
18 assessor-collector under Chapter 152, Tax Code, in the preceding  
19 calendar year. In addition, the county tax assessor-collector  
20 shall calculate each calendar year an amount equal to five percent  
21 of the tax and penalties that the comptroller:

22           (1) collected under Section 152.047, Tax Code, in the  
23 preceding calendar year; and

24           (2) determines are attributable to sales in the  
25 county.

26           (b) A county tax assessor-collector shall retain under  
27 Section 502.198(b) [~~502.102(b)~~] fees based on the following

1 percentage of the amounts calculated under Subsection [~~subsection~~]

2 (a) during each of the following fiscal years:

- 3 (1) [~~in fiscal year 2006, 90 percent,~~  
4 [~~(2) in fiscal year 2007, 80 percent,~~  
5 [~~(3) in fiscal year 2008, 70 percent,~~  
6 [~~(4) in fiscal year 2009, 60 percent,~~  
7 [~~(5) in fiscal year 2010, 50 percent,~~  
8 [~~(6) in fiscal year 2011, 40 percent,~~  
9 [~~(7)~~] in fiscal year 2012, 30 percent;  
10 (2) [~~(8)~~] in fiscal year 2013, 20 percent;  
11 (3) [~~(9)~~] in fiscal year 2014, 10 percent;  
12 (4) [~~(10)~~] in fiscal year 2015 and succeeding years, 0  
13 percent.

14 (c) The county shall credit the amounts retained under  
15 Subsection (b) to the county road and bridge fund. Money credited  
16 to the fund under this section may only be used for:

- 17 (1) county road construction, maintenance, and  
18 repair;  
19 (2) bridge construction, maintenance, and repair;  
20 (3) the purchase of right-of-way for road or highway  
21 purposes; or  
22 (4) the relocation of utilities for road or highway  
23 purposes.

24 SECTION 117. Section 502.103, Transportation Code, is  
25 transferred to Subchapter E, Chapter 502, Transportation Code,  
26 redesignated as Section 502.1982, Transportation Code, and amended  
27 to read as follows:

1           Sec. 502.1982 [~~502.103~~]. DISPOSITION OF OPTIONAL COUNTY  
2 ROAD AND BRIDGE FEE. Each Monday a county assessor-collector shall  
3 apportion the collections for the preceding week for a fee imposed  
4 under Section 502.401 [~~502.172~~] by:

5           (1) crediting an amount equal to 97 percent of the  
6 collections to the county road and bridge fund; and

7           (2) sending to the department an amount equal to three  
8 percent of the collections to defray the department's costs of  
9 administering Section 502.401 [~~502.172~~].

10           SECTION 118. Section 502.106, Transportation Code, is  
11 transferred to Subchapter E, Chapter 502, Transportation Code,  
12 redesignated as Section 502.1983, Transportation Code, and amended  
13 to read as follows:

14           Sec. 502.1983 [~~502.106~~]. DEPOSIT OF FEES IN  
15 INTEREST-BEARING ACCOUNT. (a) Except as provided by Sections  
16 502.1982 [~~502.103~~] and 502.357 [~~502.104~~], a county  
17 assessor-collector may:

18           (1) deposit the fees in an interest-bearing account or  
19 certificate in the county depository; and

20           (2) send the fees to the department not later than the  
21 34th day after the date the fees are due under Section 502.357  
22 [~~502.104~~].

23           (b) The county owns all interest earned on fees deposited  
24 under this section. The county treasurer shall credit the interest  
25 to the county general fund.

26           SECTION 119. Section 502.107, Transportation Code, is  
27 transferred to Subchapter E, Chapter 502, Transportation Code, and

1 redesignated as Section 502.1984, Transportation Code, to read as  
2 follows:

3       Sec. 502.1984 [~~502.107~~]. INTEREST ON FEES. (a) A fee  
4 required to be sent to the department under this chapter bears  
5 interest for the benefit of the state highway fund at an annual rate  
6 of 10 percent beginning on the 60th day after the date the county  
7 assessor-collector collects the fee.

8       (b) The department shall audit the registration and  
9 transfer fees collected and disbursed by each county  
10 assessor-collector and shall determine the exact amount of interest  
11 due on any fee not sent to the department.

12       (c) The state has a claim against a county  
13 assessor-collector and the sureties on the assessor-collector's  
14 official bond for the amount of interest due on a fee.

15       SECTION 120. Section 502.108, Transportation Code, is  
16 transferred to Subchapter E, Chapter 502, Transportation Code,  
17 redesignated as Section 502.1985, Transportation Code, and amended  
18 to read as follows:

19       Sec. 502.1985 [~~502.108~~]. USE OF REGISTRATION FEES RETAINED  
20 BY COUNTY. (a) Money credited to the county road and bridge fund  
21 under Section 502.198 [~~502.102~~] or 502.1982 [~~502.103~~] may not be  
22 used to pay the compensation of the county judge or a county  
23 commissioner. The money may be used only for the construction and  
24 maintenance of lateral roads in the county, under the supervision  
25 of the county engineer.

26       (b) If there is not a county engineer, the commissioners  
27 court of the county may require the services of the department's

1 district engineer or resident engineer to supervise the  
2 construction and surveying of lateral roads in the county.

3 (c) A county may use money allocated to it under this  
4 chapter to:

- 5 (1) pay obligations issued in the construction or  
6 improvement of any roads, including state highways in the county;  
7 (2) improve the roads in the county road system; or  
8 (3) construct new roads.

9 (d) To the maximum extent possible, contracts for roads  
10 constructed by a county using funds provided under this chapter  
11 should be awarded by competitive bids.

12 SECTION 121. Section 502.110, Transportation Code, is  
13 transferred to Subchapter E, Chapter 502, Transportation Code, and  
14 redesignated as Section 502.1986, Transportation Code, to read as  
15 follows:

16 Sec. 502.1986 [~~502.110~~]. CONTINGENT PROVISION FOR  
17 DISTRIBUTION OF FEES BETWEEN STATE AND COUNTIES. If the method of  
18 distributing vehicle registration fees collected under this  
19 chapter between the state and counties is declared invalid because  
20 of inequality of collection or distribution of those fees, 60  
21 percent of each fee shall be distributed to the county collecting  
22 the fee and 40 percent shall be sent to the state in the manner  
23 provided by this chapter.

24 SECTION 122. The heading to Subchapter F, Chapter 502,  
25 Transportation Code, is amended to read as follows:

26 SUBCHAPTER F. REGULAR REGISTRATION FEES [~~SPECIALIZED LICENSE~~  
27 ~~PLATES; EXEMPTIONS FOR PRIVATELY OWNED VEHICLES~~]



1 SECTION 123. Section 502.160, Transportation Code, as  
2 effective September 1, 2011, is transferred to Subchapter F,  
3 Chapter 502, Transportation Code, and redesignated as Section  
4 502.251, Transportation Code, to read as follows:

5 Sec. 502.251 [~~502.160~~]. FEE: MOTORCYCLE OR MOPED. The  
6 fee for a registration year for registration of a motorcycle or  
7 moped is \$30.

8 SECTION 124. Section 502.161, Transportation Code, as  
9 effective September 1, 2011, is transferred to Subchapter F,  
10 Chapter 502, Transportation Code, redesignated as Section 502.252,  
11 Transportation Code, and amended to read as follows:

12 Sec. 502.252 [~~502.161~~]. FEE: VEHICLES THAT WEIGH 6,000  
13 POUNDS OR LESS. (a) The fee for a registration year for  
14 registration of a vehicle with a gross weight of 6,000 pounds or  
15 less is \$50.75, unless otherwise provided in this chapter.

16 (b) [~~(c)~~] For registration purposes, the weight of a  
17 passenger car, a municipal bus, or a private bus is the weight  
18 generally accepted as its correct shipping weight plus 100 pounds.

19 [~~(d) In this section, "private bus" has the meaning assigned~~  
20 ~~by Section 502.294.~~]

21 SECTION 125. Section 502.162, Transportation Code, as  
22 effective September 1, 2011, is transferred to Subchapter F,  
23 Chapter 502, Transportation Code, redesignated as Section 502.253,  
24 Transportation Code, and amended to read as follows:

25 Sec. 502.253 [~~502.162~~]. FEE: VEHICLES THAT WEIGH MORE THAN  
26 6,000 POUNDS. [~~(a)~~] The fee for a registration year for  
27 registration of a vehicle with a gross weight of more than 6,000

1 pounds is as follows unless otherwise provided in this chapter:

2	Weight Classification	Fee Schedule
3	in pounds	
4	6,001-10,000	\$54.00
5	10,001-18,000	\$110.00
6	18,001-25,999	\$205.00
7	26,000-40,000	\$340.00
8	40,001-54,999	\$535.00
9	55,000-70,000	\$740.00
10	70,001-80,000	\$840.00

11 ~~[(b) The gross weight of a vehicle is the actual weight of~~  
12 ~~the vehicle, fully equipped with a body and other equipment, as~~  
13 ~~certified by a public weigher or a license and weight inspector of~~  
14 ~~the Department of Public Safety, plus its net carrying capacity.~~

15 ~~[(c) The net carrying capacity of a vehicle other than a bus~~  
16 ~~is the heaviest net load to be carried on the vehicle, but not less~~  
17 ~~than the manufacturer's rated carrying capacity.~~

18 ~~[(d) The net carrying capacity of a bus is computed by~~  
19 ~~multiplying its seating capacity by 150 pounds. The seating~~  
20 ~~capacity of a bus is:~~

21 ~~[(1) the manufacturer's rated seating capacity,~~  
22 ~~excluding the operator's seat, or~~

23 ~~[(2) if the manufacturer has not rated the vehicle for~~  
24 ~~seating capacity, a number computed by allowing one passenger for~~  
25 ~~each 16 inches of seating on the bus, excluding the operator's~~  
26 ~~seat.]~~

27 SECTION 126. Section 502.166, Transportation Code, as

1 effective September 1, 2011, is transferred to Subchapter F,  
2 Chapter 502, Transportation Code, redesignated as Section 502.254,  
3 Transportation Code, and amended to read as follows:

4       Sec. 502.254 [~~502.166~~]. FEE: TRAILER, TRAVEL TRAILER, OR  
5 SEMITRAILER. (a) The fee for a registration year for registration  
6 of a trailer, travel trailer, or semitrailer with a gross weight of  
7 6,000 pounds or less is \$45.00.

8       (b) [~~(a-1)~~] The fee for a registration year for  
9 registration of a trailer, travel trailer, or semitrailer with a  
10 gross weight of more than 6,000 pounds is calculated by gross weight  
11 according to Section 502.253 [~~502.162~~].

12       ~~[(b) The gross weight of a trailer or semitrailer is the~~  
13 ~~actual weight of the vehicle, as certified by a public weigher or a~~  
14 ~~license and weight inspector of the Department of Public Safety,~~  
15 ~~plus its net carrying capacity.~~

16       ~~[(c) The net carrying capacity of a vehicle is the heaviest~~  
17 ~~net load to be carried on the vehicle, but not less than the~~  
18 ~~manufacturer's rated carrying capacity.~~

19       ~~[(d) The department may issue specially designed license~~  
20 ~~plates for rental trailers and travel trailers that include, as~~  
21 ~~appropriate, the words "rental trailer" or "travel trailer."~~

22       ~~[(e) In this section:~~

23               ~~[(1) "Rental fleet" means five or more vehicles that~~  
24 ~~are:~~

25                       ~~[(A) owned by the same owner,~~

26                       ~~[(B) offered for rent or rented without drivers,~~

27 ~~and~~

1                   ~~[(C) designated by the owner in the manner~~  
2 ~~prescribed by the department as a rental fleet.~~

3                   ~~[(2) "Rental trailer" means a utility trailer that:~~

4                   ~~[(A) has a gross weight of 4,000 pounds or less,~~  
5 ~~and~~

6                   ~~[(B) is part of a rental fleet.~~

7                   ~~[(3) "Travel trailer" means a house trailer-type~~  
8 ~~vehicle or a camper trailer that is:~~

9                   ~~[(A) less than eight feet in width or 40 feet in~~  
10 ~~length, exclusive of any hitch installed on the vehicle; and~~

11                   ~~[(B) designed primarily for use as temporary~~  
12 ~~living quarters in connection with recreational, camping, travel,~~  
13 ~~or seasonal use and not as a permanent dwelling; provided that~~  
14 ~~"travel trailer" shall not include a utility trailer, enclosed~~  
15 ~~trailer, or other trailer not having human habitation as its~~  
16 ~~primary purpose.]~~

17                   SECTION 127. Section 502.167, Transportation Code, as  
18 effective September 1, 2011, is transferred to Subchapter F,  
19 Chapter 502, Transportation Code, redesignated as Section 502.255,  
20 Transportation Code, and amended to read as follows:

21                   Sec. 502.255 [~~502.167~~]. TRUCK-TRACTOR OR COMMERCIAL MOTOR  
22 VEHICLE COMBINATION FEE; SEMITRAILER TOKEN FEE. (a) This section  
23 applies only to a truck-tractor or commercial motor vehicle with a  
24 gross weight of more than 10,000 pounds that is used or is to be used  
25 in combination with a semitrailer that has a gross weight of more  
26 than 6,000 pounds.

27                   (b) The fee for a registration year for registration of a

1 truck-tractor or commercial motor vehicle is calculated by gross  
2 weight according to Section 502.253 [~~502.162~~].

3 (c) The fee for a registration year for registration of a  
4 semitrailer used in the manner described by Subsection (a),  
5 regardless of the date the semitrailer is registered, is:

6 (1) \$30, for a semitrailer being propelled by a power  
7 unit for which a permit under Section 623.011 has been issued; or

8 (2) \$15, for a semitrailer being propelled by a power  
9 unit for which a permit under Section 623.011 has not been issued.

10 (d) A registration made under Subsection (c) is valid only  
11 when the semitrailer is used in the manner described by Subsection  
12 (a).

13 (e) For registration purposes, a semitrailer converted to a  
14 trailer by means of an auxiliary axle assembly retains its status as  
15 a semitrailer.

16 (f) A combination of vehicles may not be registered under  
17 this section for a combined gross weight of less than 18,000 pounds.

18 (g) This section does not apply to:

19 (1) a combination of vehicles that includes a vehicle  
20 that has a distinguishing license plate under Section 502.146  
21 [~~504.504~~];

22 (2) a truck-tractor or commercial motor vehicle  
23 registered or to be registered with \$5 distinguishing license  
24 plates for which the vehicle is eligible under this chapter;

25 (3) a truck-tractor or commercial motor vehicle used  
26 exclusively in combination with a semitrailer of the travel trailer  
27 [~~housetrailer~~] type; or

- 1 (4) a vehicle registered or to be registered:  
2 (A) with a temporary registration permit;  
3 (B) under Section 502.433 [~~502.163~~]; or  
4 (C) under Section 502.435 [~~502.188~~].

5 (h) The department may adopt rules to administer this  
6 section.

7 (i) The department may issue specially designed license  
8 plates for token trailers.

9 (j) A person may register a semitrailer under this section  
10 [~~for a registration period of five consecutive years~~] if the  
11 person:

12 (1) applies to the department for [~~the five-year~~]  
13 registration;

14 (2) provides proof of the person's eligibility to  
15 register the vehicle under this subsection as required by the  
16 department; and

17 (3) pays a fee of \$15, plus any applicable fee under  
18 Section 502.401 [~~502.172~~], for each year included in the  
19 registration period.

20 [~~(k) If during the five-year registration period for a  
21 vehicle registered under Subsection (j) the amount of a fee imposed  
22 under that subsection is increased, the owner of the vehicle is  
23 liable to the department for the amount of the increase. If the  
24 amount of a fee is decreased, the owner of the vehicle is not  
25 entitled to a refund.~~]

26 [~~(1) In this section:~~]

27 [~~(1) "Combined gross weight" means the empty weight of~~]

1 ~~the truck-tractor or commercial motor vehicle combined with the~~  
2 ~~empty weight of the heaviest semitrailer used or to be used in~~  
3 ~~combination with the truck-tractor or commercial motor vehicle plus~~  
4 ~~the heaviest net load to be carried on the combination during the~~  
5 ~~registration year.~~

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

10 ~~[(3) "Token trailer" means a semitrailer that:~~

11 ~~[(A) has a gross weight of more than 6,000~~  
12 ~~pounds, and~~

13 ~~[(B) is operated in combination with a truck or a~~  
14 ~~truck-tractor that has been issued:~~

15 ~~[(i) an apportioned license plate,~~

16 ~~[(ii) a combination license plate, or~~

17 ~~[(iii) a forestry vehicle license plate.~~

18 ~~[(4) "Apportioned license plate" means a license plate~~  
19 ~~issued in lieu of truck license plates or combination license~~  
20 ~~plates to a motor carrier in this state who proportionally~~  
21 ~~registers a vehicle owned by the carrier in one or more other~~  
22 ~~states.~~

23 ~~[(5) "Combination license plate" means a license plate~~  
24 ~~issued for a truck or truck-tractor that:~~

25 ~~[(A) has a manufacturer's rated carrying~~  
26 ~~capacity of more than one ton, and~~

27 ~~[(B) is used or intended to be used in~~

1 ~~combination with a semitrailer that has a gross weight of more than~~  
2 ~~6,000 pounds.]~~

3 SECTION 128. Section 502.165, Transportation Code, as  
4 effective September 1, 2011, is transferred to Subchapter F,  
5 Chapter 502, Transportation Code, redesignated as Section 502.256,  
6 Transportation Code, and amended to read as follows:

7 Sec. 502.256 [~~502.165~~]. FEE: ROAD TRACTOR. The fee for a  
8 registration year for registration of a road tractor is the fee  
9 prescribed by weight as certified by a public weigher or a license  
10 and weight inspector of the Department of Public Safety under  
11 Section 502.252 [~~502.161~~] or 502.253 [~~502.162~~], as applicable.

12 SECTION 129. The heading to Subchapter G, Chapter 502,  
13 Transportation Code, is amended to read as follows:

14 SUBCHAPTER G. ADDITIONAL FEES [~~TEMPORARY REGISTRATION~~]

15 SECTION 130. Section 502.1705, Transportation Code, as  
16 effective September 1, 2011, is transferred to Subchapter G,  
17 Chapter 502, Transportation Code, redesignated as Section 502.356,  
18 Transportation Code, and amended to read as follows:

19 Sec. 502.356 [~~502.1705~~]. [~~ADDITIONAL FEE FOR~~] AUTOMATED  
20 REGISTRATION AND TITLING [~~TITLE~~] SYSTEM. (a) In addition to other  
21 registration fees for a license plate or set of license plates or  
22 other device used as the registration insignia, a fee of \$1 shall be  
23 collected.

24 (b) The department may use money collected under this  
25 section to provide for or enhance:

26 (1) automated on-premises and off-premises  
27 registration; and



(2) services related to the titling of vehicles.

SECTION 131. Section 502.1715, Transportation Code, as amended by Chapters 892 (S.B. 1670) and 1108 (H.B. 2337), Acts of the 79th Legislature, Regular Session, 2005, is transferred to Subchapter G, Chapter 502, Transportation Code, redesignated as Section 502.357, Transportation Code, and reenacted and amended to read as follows:

Sec. 502.357 [~~502.1715~~]. FINANCIAL RESPONSIBILITY  
[~~ADDITIONAL FEE FOR CERTAIN DEPARTMENT~~] PROGRAMS. (a) In addition to other fees imposed for registration of a motor vehicle, at the time of application for registration or renewal of registration of a motor vehicle for which the owner is required to submit evidence of financial responsibility under Section 502.046 [~~502.153~~], the applicant shall pay a fee of \$1. In addition to other fees imposed for registration of a motor vehicle, at the time of application for registration of a motor vehicle that is subject to Section 501.0234, the applicant shall pay a fee of \$1. Fees collected under this section shall be remitted weekly to the department.

(b) Fees collected under this section shall be deposited to the credit of the state highway fund. Subject to appropriations, the money shall be used by the Department of Public Safety to:

(1) support the Department of Public Safety's reengineering of the driver's license system to provide for the issuance by the Department of Public Safety of a driver's license or personal identification certificate, to include use of image comparison technology;

1           (2) establish and maintain a system to support the  
2 driver responsibility program under Chapter 708; and

3           (3) make lease payments to the master lease purchase  
4 program for the financing of the driver's license reengineering  
5 project.

6           (c) Fees collected under this section shall be deposited to  
7 the credit of the state highway fund. Subject to appropriation, the  
8 money may be used by the Department of Public Safety, the Texas  
9 Department of Insurance, the Department of Information Resources,  
10 and the department to carry out Subchapter N, Chapter 601.

11           (d) The Department of Public Safety, the Texas Department of  
12 Insurance, the Department of Information Resources, and the  
13 department shall jointly adopt rules and develop forms necessary to  
14 administer this section.

15           SECTION 132. Section 502.1675, Transportation Code, is  
16 transferred to Subchapter G, Chapter 502, Transportation Code,  
17 redesignated as Section 502.358, Transportation Code, and amended  
18 to read as follows:

19           Sec. 502.358 [~~502.1675~~]. TEXAS EMISSIONS REDUCTION PLAN  
20 SURCHARGE. (a) In addition to the registration fees charged under  
21 Section 502.255 [~~502.167~~], a surcharge is imposed on the  
22 registration of a truck-tractor or commercial motor vehicle under  
23 that section in an amount equal to 10 percent of the total fees due  
24 for the registration of the truck-tractor or commercial motor  
25 vehicle under that section.

26           (b) The county tax assessor-collector shall remit the  
27 surcharge collected under this section to the comptroller at the

1 time and in the manner prescribed by the comptroller for deposit in  
2 the Texas emissions reduction plan fund.

3 (c) This section expires August 31, 2019.

4 SECTION 133. Section 502.171, Transportation Code, is  
5 transferred to Subchapter G, Chapter 502, Transportation Code,  
6 redesignated as Section 502.359, Transportation Code, and amended  
7 to read as follows:

8 Sec. 502.359 [~~502.171~~]. ADDITIONAL FEE FOR CERTAIN  
9 VEHICLES USING DIESEL MOTOR. (a) The registration fee under this  
10 chapter for a motor vehicle other than a passenger car, a truck with  
11 a gross vehicle weight [~~manufacturer's rated carrying capacity~~] of  
12 18,000 pounds [~~two tons~~] or less, or a vehicle registered in  
13 combination under Section 502.255 [~~502.167~~] is increased by 11  
14 percent if the vehicle has a diesel motor.

15 (b) The [~~A county assessor-collector shall show on the~~]  
16 registration receipt for a motor vehicle, other than a passenger  
17 car or a truck with a gross vehicle weight [~~manufacturer's rated~~  
18 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less, must show  
19 that the vehicle has a diesel motor.

20 (c) The department may adopt rules to administer this  
21 section.

22 SECTION 134. The heading to Subchapter H, Chapter 502,  
23 Transportation Code, is amended to read as follows:

24 SUBCHAPTER H. OPTIONAL FEES [~~OFFENSES AND PENALTIES~~]

25 SECTION 135. Section 502.172, Transportation Code, is  
26 transferred to Subchapter H, Chapter 502, Transportation Code,  
27 redesignated as Section 502.401, Transportation Code, and amended

1 to read as follows:

2           Sec. 502.401 [~~502.172~~]. OPTIONAL COUNTY FEE FOR ROAD AND  
3 BRIDGE FUND. (a) The commissioners court of a county by order may  
4 impose an additional fee, not to exceed \$10, for registering a  
5 vehicle in the county.

6           (b) A vehicle that may be registered under this chapter  
7 without payment of a registration fee may be registered in a county  
8 imposing a fee under this section without payment of the additional  
9 fee.

10           (c) A fee imposed under this section may take effect only on  
11 January 1 of a year. The county must adopt the order and notify the  
12 department not later than September 1 of the year preceding the year  
13 in which the fee takes effect.

14           (d) A fee imposed under this section may be removed. The  
15 removal may take effect only on January 1 of a year. A county may  
16 remove the fee only by:

- 17                   (1) rescinding the order imposing the fee; and  
18                   (2) notifying the department not later than September  
19 1 of the year preceding the year in which the removal takes effect.

20           (e) The county assessor-collector of a county imposing a fee  
21 under this section shall collect the additional fee for a vehicle  
22 when other fees imposed under this chapter are collected.

23           (f) The department shall collect the additional fee on a  
24 vehicle that is owned by a resident of a county imposing a fee under  
25 this section [~~and~~] that [~~under this chapter~~] must be registered  
26 directly with the department. The department shall send all fees  
27 collected for a county under this subsection to the county

1 treasurer to be credited to the county road and bridge fund.

2 (g) The department shall adopt rules [~~and develop forms~~]  
3 necessary to administer registration [~~by mail~~] for a vehicle being  
4 registered in a county imposing a fee under this section.

5 SECTION 136. Section 502.1725, Transportation Code, is  
6 transferred to Subchapter H, Chapter 502, Transportation Code,  
7 redesignated as Section 502.402, Transportation Code, and amended  
8 to read as follows:

9 Sec. 502.402 [~~502.1725~~]. OPTIONAL COUNTY FEE FOR  
10 TRANSPORTATION PROJECTS. (a) This section applies only to a  
11 county:

- 12 (1) that borders the United Mexican States;
- 13 (2) that has a population of more than 300,000; and
- 14 (3) in which the largest municipality has a population  
15 of less than 300,000.

16 (b) The commissioners court of a county by order may impose  
17 an additional fee, not to exceed \$10, for [~~registering~~]  
18 registered in the county.

19 (c) A vehicle that may be registered under this chapter  
20 without payment of a registration fee may be registered [~~in a county~~  
21 ~~imposing a fee~~] under this section without payment of the  
22 additional fee.

23 (d) A fee imposed under this section may take effect [~~only~~  
24 ~~on January 1 of a year. The county must adopt the order~~] and  
25 [~~notify the department not later than September 1 of the year~~  
26 ~~preceding the year in which the fee takes effect.~~

27 [~~(e) A fee imposed under this section may~~] be removed in

1 accordance with the requirements of Section 502.401~~[. The removal~~  
2 ~~may take effect only on January 1 of a year. A county may remove the~~  
3 ~~fee only by:~~

4 ~~(1) rescinding the order imposing the fee; and~~  
5 ~~(2) notifying the department not later than September~~  
6 ~~1 of the year preceding the year in which the removal takes effect].~~

7 (e) ~~[(f)]~~ The ~~[county assessor-collector of a county~~  
8 ~~imposing a fee under this section shall collect the]~~ additional fee  
9 shall be collected for a vehicle when other fees imposed under this  
10 chapter are collected. The ~~[county shall send the]~~ fee revenue  
11 collected shall be sent to the regional mobility authority of the  
12 county to fund long-term transportation projects in the county.

13 (f) ~~[(g) The department shall collect the additional fee on~~  
14 ~~a vehicle that is owned by a resident of a county imposing a fee~~  
15 ~~under this section and that, under this chapter, must be registered~~  
16 ~~directly with the department. The department shall send all fees~~  
17 ~~collected for a county under this subsection to the regional~~  
18 ~~mobility authority of the county to fund long-term transportation~~  
19 ~~projects in the county.~~

20 ~~[(h)]~~ The department shall adopt rules ~~[and develop forms]~~  
21 necessary to administer registration ~~[by mail]~~ for a vehicle being  
22 registered in a county imposing a fee under this section.

23 SECTION 137. Section 502.173, Transportation Code, is  
24 transferred to Subchapter H, Chapter 502, Transportation Code,  
25 redesignated as Section 502.403, Transportation Code, and amended  
26 to read as follows:

27 Sec. 502.403 ~~[502.173]~~. OPTIONAL COUNTY FEE FOR CHILD

1 SAFETY. (a) The commissioners court of a county that has a  
2 population greater than 1.3 million and in which a municipality  
3 with a population of more than one million is primarily located may  
4 impose by order an additional fee of not less than 50 cents or more  
5 than \$1.50 for [~~registering~~] a vehicle registered in the county.  
6 The commissioners court of any other county may impose by order an  
7 additional fee of not more than \$1.50 for registering a vehicle in  
8 the county.

9 (b) A vehicle that may be registered under this chapter  
10 without payment of a registration fee may be registered [~~in a county~~  
11 ~~imposing a fee under this section~~] without payment of the  
12 additional fee.

13 (c) A fee imposed under this section may take effect [~~only~~  
14 ~~on January 1 of a year. The county must adopt the order~~] and [~~notify~~  
15 ~~the department not later than September 10 of the year preceding the~~  
16 ~~year in which the fee takes effect.~~

17 [~~(d) A fee imposed under this section may~~] be removed in  
18 accordance with the provisions of Section 502.401. [~~The removal~~  
19 ~~may take effect only on January 1 of a year. A county may remove the~~  
20 ~~fee only by:~~

- 21 [~~(1) rescinding the order imposing the fee, and~~  
22 [~~(2) notifying the department not later than September~~  
23 ~~1 of the year preceding the year in which the removal takes effect.~~]

24 (d) [~~(e)~~] The [~~county assessor-collector of a county~~  
25 ~~imposing a fee under this section shall collect the~~] additional fee  
26 shall be collected for a vehicle when other fees imposed under this  
27 chapter are collected.

1        (e) [~~(f)~~] A county imposing a fee under this section may  
2 deduct for administrative costs an amount of not more than 10  
3 percent of the revenue it receives from the fee. The county may  
4 also deduct from the fee revenue an amount proportional to the  
5 percentage of county residents who live in unincorporated areas of  
6 the county. After making the deductions provided for by this  
7 subsection, the county shall send the remainder of the fee revenue  
8 to the municipalities in the county according to their population.

9        (f) [~~(g)~~] A municipality with a population greater than  
10 850,000 shall deposit revenue from a fee imposed under this  
11 subsection to the credit of the child safety trust fund created  
12 under Section 106.001, Local Government Code. A municipality with a  
13 population less than 850,000 shall use revenue from a fee imposed  
14 under this section in accordance with Article 102.014(g), Code of  
15 Criminal Procedure.

16        (g) [~~(h)~~] After deducting administrative costs, a county  
17 may use revenue from a fee imposed under this section only for a  
18 purpose permitted by Article 102.014(g) [~~Subsection (g), Article~~  
19 ~~102.014~~], Code of Criminal Procedure.

20        SECTION 138. Section 502.174, Transportation Code, is  
21 transferred to Subchapter H, Chapter 502, Transportation Code,  
22 redesignated as Section 502.404, Transportation Code, and amended  
23 to read as follows:

24        Sec. 502.404 [~~502.174~~]. VOLUNTARY ASSESSMENT FOR YOUNG  
25 FARMER LOAN GUARANTEES. (a) When a person registers a commercial  
26 motor vehicle under Section 502.433 [~~502.163~~], the person shall pay  
27 a voluntary assessment of \$5.



1 (b) The county assessor-collector shall send an assessment  
2 collected under this section to the comptroller, at the time and in  
3 the manner prescribed by the Texas Agricultural Finance Authority,  
4 for deposit in the Texas agricultural fund.

5 (c) The Texas Agricultural Finance Authority shall  
6 prescribe procedures under which an assessment collected under this  
7 section may be refunded. The county assessor-collector of the  
8 county in which an assessment is collected shall:

9 (1) implement the refund procedures; and

10 (2) provide notice of those procedures to a person  
11 paying an assessment at the time of payment.

12 SECTION 139. Section 502.1745, Transportation Code, is  
13 transferred to Subchapter H, Chapter 502, Transportation Code,  
14 redesignated as Section 502.405, Transportation Code, and amended  
15 to read as follows:

16 Sec. 502.405 [~~502.1745~~]. DONOR EDUCATION, AWARENESS, AND  
17 REGISTRY PROGRAM [~~VOLUNTARY FEE~~]. (a) The department shall  
18 provide to each county assessor-collector the educational  
19 materials for prospective donors provided as required by the Donor  
20 Education, Awareness, and Registry Program of Texas under Chapter  
21 49, Health and Safety Code. The [~~A county assessor-collector shall~~  
22 ~~make the~~] educational materials shall be made available in each  
23 office authorized to accept applications for registration of motor  
24 vehicles.

25 (b) A person may elect to pay [~~county assessor-collector~~  
26 ~~shall collect~~] an additional fee of \$1 for the registration or  
27 renewal of registration of a motor vehicle to pay the costs of the

1 Donor Education, Awareness, and Registry Program of Texas,  
2 established under Chapter 49, Health and Safety Code, and of the  
3 Texas Organ, Tissue, and Eye Donor Council, established under  
4 Chapter 113, Health and Safety Code [~~, if the person registering or~~  
5 ~~renewing the registration of a motor vehicle opts to pay the~~  
6 ~~additional fee~~]. Notwithstanding any other provision of this  
7 chapter, [~~the county assessor-collector shall remit~~] all fees  
8 collected under this subsection shall be remitted to the  
9 comptroller, who shall maintain the identity of the source of the  
10 fees.

11 (c) Three percent of all money collected under this section  
12 may be appropriated only to the department to administer this  
13 section.

14 SECTION 140. The heading to Subchapter I, Chapter 502,  
15 Transportation Code, is amended to read as follows:

16 SUBCHAPTER I. ALTERNATE REGISTRATION FEES [~~TRANSFER AND REMOVAL OF~~  
17 ~~LICENSE PLATES FOR THE SALE OR TRANSFER OF USED VEHICLES~~]

18 SECTION 141. Section 502.164, Transportation Code, is  
19 transferred to Subchapter I, Chapter 502, Transportation Code, and  
20 redesignated as Section 502.431, Transportation Code, to read as  
21 follows:

22 Sec. 502.431 [~~502.164~~]. FEE: MOTOR VEHICLE USED  
23 EXCLUSIVELY TO TRANSPORT AND SPREAD FERTILIZER. The fee for a  
24 registration year for registration of a motor vehicle designed or  
25 modified and used exclusively to transport to the field and spread  
26 fertilizer, including agricultural limestone, is \$75.

27 SECTION 142. Section 502.1586, Transportation Code, is

1 transferred to Subchapter I, Chapter 502, Transportation Code,  
2 redesignated as Section 502.432, Transportation Code, and amended  
3 to read as follows:

4       Sec. 502.432 [~~502.1586~~].       [~~REGISTRATION PERIOD FOR~~  
5 ~~TRUCK-TRACTOR OR COMMERCIAL MOTOR~~] VEHICLE TRANSPORTING SEASONAL  
6 AGRICULTURAL PRODUCTS. (a) The department shall provide for a  
7 monthly registration period for a truck-tractor or a commercial  
8 motor vehicle [~~that~~]:

9           (1) that is used exclusively to transport a seasonal  
10 agricultural product; [~~and~~]

11           (2) that would otherwise be registered for a vehicle  
12 registration year; and

13           (3) for which the owner can show proof of payment of  
14 the heavy vehicle use tax or exemption.

15       (b) The department shall [~~adopt forms for registration~~  
16 ~~under this section. An applicant must indicate the number of months~~  
17 ~~registration is applied for.~~

18       [~~(c) The department shall design,~~] prescribe [~~, and~~  
19 ~~furnish~~] a registration receipt that is valid until the expiration  
20 of the designated registration period.

21       (c) [~~(d)~~] The registration fee for a registration under  
22 this section is computed at a rate of one-twelfth the annual  
23 registration fee under Section 502.253 [~~502.162~~], 502.255  
24 [~~502.163~~], or 502.433 [~~502.167~~], as applicable, multiplied by the  
25 number of months in the registration period specified in the  
26 application for the registration, which may not be less than one  
27 month or longer than six months.

1        (d) [~~(e)~~] ~~A person issued a registration under this section~~  
2 ~~commits an offense if the person, during the registration period~~  
3 ~~for the truck-tractor or commercial motor vehicle, uses the~~  
4 ~~truck-tractor or commercial motor vehicle for a purpose other than~~  
5 ~~to transport a seasonal agricultural product.~~

6        [~~(f)~~] ~~A truck-tractor or commercial motor vehicle may not be~~  
7 ~~registered under this section for a registration period that is~~  
8 ~~less than one month or longer than six months.~~

9        [~~(g)~~] For purposes of this section, "to transport a seasonal  
10 agricultural product" includes any transportation activity  
11 necessary for the production, harvest, or delivery of an  
12 agricultural product that is produced seasonally.

13        SECTION 143. Section 502.163, Transportation Code, is  
14 transferred to Subchapter I, Chapter 502, Transportation Code,  
15 redesignated as Section 502.433, Transportation Code, and amended  
16 to read as follows:

17        Sec. 502.433 [~~502.163~~]. FEE: COMMERCIAL FARM MOTOR VEHICLE  
18 [~~USED PRIMARILY FOR FARM PURPOSES, OFFENSE~~]. (a) The registration  
19 fee for a commercial motor vehicle as a farm vehicle is 50 percent  
20 of the applicable fee under Section 502.253 [~~502.162~~] if the  
21 vehicle's owner will use the vehicle for commercial purposes only  
22 to transport:

23            (1) the person's own poultry, dairy, livestock,  
24 livestock products, timber in its natural state, or farm products  
25 to market or another place for sale or processing;

26            (2) laborers from their place of residence to the  
27 owner's farm or ranch; or

1           (3) without charge, materials, tools, equipment, or  
2 supplies from the place of purchase or storage to the owner's farm  
3 or ranch exclusively for the owner's use or for use on the farm or  
4 ranch.

5           (b) A commercial motor vehicle may be registered under this  
6 section despite its use for transporting without charge the owner  
7 or a member of the owner's family:

8           (1) to attend church or school;

9           (2) to visit a doctor for medical treatment or  
10 supplies; or

11           (3) for other necessities of the home or family.

12           (c) Subsection (b) does not permit the use of a vehicle  
13 registered under this section in connection with gainful employment  
14 other than farming or ranching.

15           (d) The department shall provide distinguishing license  
16 plates for a vehicle registered under this section.

17           ~~[(c) The owner of a commercial motor vehicle registered~~  
18 ~~under this section commits an offense if the person uses or permits~~  
19 ~~to be used the vehicle for a purpose other than one permitted by~~  
20 ~~this section. Each use or permission for use in violation of this~~  
21 ~~section is a separate offense.~~

22           ~~[(f) An offense under this section is a misdemeanor~~  
23 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

24           SECTION 144. Section 502.351, Transportation Code, is  
25 transferred to Subchapter I, Chapter 502, Transportation Code,  
26 redesignated as Section 502.434, Transportation Code, and amended  
27 to read as follows:

1           Sec. 502.434 [~~502.351~~]. FARM VEHICLES: EXCESS WEIGHT. (a)  
2 The owner of a registered commercial motor vehicle, truck-tractor,  
3 trailer, or semitrailer may obtain a short-term permit to haul  
4 loads of a weight more than that for which the vehicle is registered  
5 by paying an additional fee before the additional weight is hauled  
6 to transport:

7           (1) the person's own seasonal agricultural products to  
8 market or another point for sale or processing;

9           (2) seasonal laborers from their place of residence to  
10 a farm or ranch; or

11           (3) materials, tools, equipment, or supplies, without  
12 charge, from the place of purchase or storage to a farm or ranch  
13 exclusively for use on the farm or ranch.

14           (b) A permit may not be issued under this section for a  
15 period that is less than one month or that:

16           (1) is greater than one year; or

17           (2) extends beyond the expiration of the registration  
18 year for the vehicle.

19           (c) A permit issued under this section for a quarter must be  
20 for a calendar quarter.

21           (d) The fee for a permit under this section is a percentage  
22 of the difference between the registration fee otherwise prescribed  
23 [~~by this chapter~~] for the vehicle and the annual fee for the desired  
24 weight, as follows:

25           One month (30 consecutive days)	10 percent
26           One quarter	30 percent
27           Two quarters	60 percent



1 on a public highway in violation of this section is considered to be  
2 operated while unregistered and is immediately subject to the  
3 applicable registration fees and penalties prescribed by this  
4 chapter.

5 SECTION 146. Chapter 502, Transportation Code, is amended  
6 by adding Subchapter J to read as follows:

7 SUBCHAPTER J. REGISTRATIONS EXEMPT FROM FEES

8 SECTION 147. Section 502.201, Transportation Code, as  
9 effective September 1, 2011, is transferred to Subchapter J,  
10 Chapter 502, Transportation Code, as added by this Act,  
11 redesignated as Section 502.451, Transportation Code, and amended  
12 to read as follows:

13 Sec. 502.451 [~~502.201~~]. [~~LICENSE PLATES FOR~~] EXEMPT  
14 VEHICLES. (a) Before license plates are issued or delivered to  
15 the owner of a vehicle that is exempt by law from payment of  
16 registration fees, the department must approve the application for  
17 registration. The department may not approve an application if  
18 there is the appearance that:

19 (1) the vehicle was transferred to the owner or  
20 purported owner:

21 (A) for the sole purpose of evading the payment  
22 of registration fees; or

23 (B) in bad faith; or

24 (2) the vehicle is not being used in accordance with  
25 the exemption requirements.

26 (b) The department shall revoke the registration of a  
27 vehicle issued license plates under this section and may recall the



1 plates if the vehicle is no longer:

2 (1) owned and operated by the person whose ownership  
3 of the vehicle qualified the vehicle for the exemption; or

4 (2) used in accordance with the exemption  
5 requirements.

6 (c) [~~(d)~~] The department shall provide by rule for the  
7 issuance of specially designated license plates for vehicles that  
8 are exempt by law. Except as provided by Subsection (f) [~~(g)~~], the  
9 license plates must bear the word "exempt."

10 (d) [~~(e)~~] A license plate under Subsection (c) [~~(d)~~] is not  
11 issued annually, but remains on the vehicle until:

12 (1) the registration is revoked as provided by  
13 Subsection (b); or

14 (2) the plate is lost, stolen, or mutilated.

15 (e) [~~(f)~~] A person who operates on a public highway a  
16 vehicle after the registration has been revoked is liable for the  
17 penalties for failing to register a vehicle.

18 (f) [~~(g)~~] The department shall provide by rule for the  
19 issuance of regularly designed license plates not bearing the word  
20 "exempt" for a vehicle that is exempt by law and that is:

21 (1) a law enforcement vehicle, if the agency certifies  
22 to the department that the vehicle will be dedicated to law  
23 enforcement activities;

24 (2) a vehicle exempt from inscription requirements  
25 under a rule adopted as provided by Section 721.003; or

26 (3) a vehicle exempt from inscription requirements  
27 under an order or ordinance adopted by a governing body of a

1 municipality or commissioners court of a county as provided by  
2 Section 721.005, if the applicant presents a copy of the order or  
3 ordinance.

4 SECTION 148. Section 502.2015, Transportation Code, is  
5 transferred to Subchapter J, Chapter 502, Transportation Code, as  
6 added by this Act, redesignated as Section 502.452, Transportation  
7 Code, and amended to read as follows:

8 Sec. 502.452 [~~502.2015~~]. LIMITATION ON ISSUANCE OF EXEMPT  
9 LICENSE PLATES; SEIZURE OF CERTAIN VEHICLES. (a) The department  
10 may not issue exempt license plates for a vehicle owned by the  
11 United States, this state, or a political subdivision of this state  
12 unless when application is made for registration of the vehicle,  
13 the person who under Section 502.453 [~~502.202~~] has authority to  
14 certify to the department that the vehicle qualifies for  
15 registration under that section also certifies in writing to the  
16 department that there is printed on each side of the vehicle, in  
17 letters that are at least two inches high or in an emblem that is at  
18 least 100 square inches in size, the name of the agency, department,  
19 bureau, board, commission, or officer of the United States, this  
20 state, or the political subdivision of this state that has custody  
21 of the vehicle. The letters or emblem must be of a color  
22 sufficiently different from the body of the vehicle to be clearly  
23 legible from a distance of 100 feet.

24 (b) The department may not issue exempt license plates for a  
25 vehicle owned by a person other than the United States, this state,  
26 or a political subdivision of this state unless, when application  
27 is made for registration of the vehicle, the person who under

1 Section 502.453 [~~502.202~~] has authority to certify to the  
2 department that the vehicle qualifies for registration under that  
3 section also certifies in writing to the department that the name of  
4 the owner of the vehicle is printed on the vehicle in the manner  
5 prescribed by Subsection (a).

6 (c) A peace officer listed in Article 2.12, Code of Criminal  
7 Procedure, may seize a motor vehicle displaying exempt license  
8 plates if the vehicle is:

9 (1) operated on a public highway; and

10 (2) not identified in the manner prescribed by  
11 Subsection (a) or (b), unless the vehicle is covered by Subsection  
12 (f).

13 (d) A peace officer who seizes a motor vehicle under  
14 Subsection (c) may require that the vehicle be:

15 (1) moved to the nearest place of safety off the  
16 main-traveled part of the highway; or

17 (2) removed and placed in the nearest vehicle storage  
18 facility designated or maintained by the law enforcement agency  
19 that employs the peace officer.

20 (e) To obtain the release of the vehicle, in addition to any  
21 other requirement of law, the owner of a vehicle seized under  
22 Subsection (c) must:

23 (1) remedy the defect by identifying the vehicle as  
24 required by Subsection (a) or (b); or

25 (2) agree in writing with the law enforcement agency  
26 to provide evidence to that agency, before the 10th day after the  
27 date the vehicle is released, that the defect has been remedied by

1 identifying the vehicle as required by Subsection (a) or (b).

2 (f) Subsections (a) and (b) do not apply to a vehicle to  
3 which Section 502.451(f) [~~502.201(g) or 502.206~~] applies.

4 (g) For purposes of this section, an exempt license plate is  
5 a license plate issued by the department that is plainly marked with  
6 the word "exempt."

7 SECTION 149. Section 502.202, Transportation Code, is  
8 transferred to Subchapter J, Chapter 502, Transportation Code, as  
9 added by this Act, redesignated as Section 502.453, Transportation  
10 Code, and amended to read as follows:

11 Sec. 502.453 [~~502.202~~]. GOVERNMENT-OWNED VEHICLES; PUBLIC  
12 SCHOOL BUSES; FIRE-FIGHTING VEHICLES; COUNTY MARINE LAW  
13 ENFORCEMENT VEHICLES. (a) The owner of a motor vehicle, trailer,  
14 or semitrailer may annually apply for registration under Section  
15 502.451 [~~502.201~~] and is exempt from the payment of a registration  
16 fee under this chapter if the vehicle is:

17 (1) owned by and used exclusively in the service of:  
18 (A) the United States;  
19 (B) this state; or  
20 (C) a county, municipality, or school district in  
21 this state;

22 (2) owned by a commercial transportation company and  
23 used exclusively to provide public school transportation services  
24 to a school district under Section 34.008, Education Code;

25 (3) designed and used exclusively for fire fighting;

26 (4) owned by a volunteer fire department and used  
27 exclusively in the conduct of department business; [~~or~~]

1 (5) privately owned and used by a volunteer  
2 exclusively in county marine law enforcement activities, including  
3 rescue operations, under the direction of the sheriff's department;

4 or

5 (6) used by law enforcement under an alias for covert  
6 criminal investigations.

7 (b) An application for registration under this section must  
8 be made by a person having the authority to certify that the vehicle  
9 meets the exemption requirements prescribed by Subsection (a). An  
10 application for registration under this section of a fire-fighting  
11 vehicle described by Subsection (a)(3) must include a reasonable  
12 description of the vehicle and of any fire-fighting equipment  
13 mounted on the vehicle. An application for registration under this  
14 section of a vehicle described by Subsection (a)(5) must include a  
15 statement signed by a person having the authority to act for a  
16 sheriff's department that the vehicle is used exclusively in marine  
17 law enforcement activities under the direction of the sheriff's  
18 department.

19 SECTION 150. Section 502.203, Transportation Code, is  
20 transferred to Subchapter J, Chapter 502, Transportation Code, as  
21 added by this Act, redesignated as Section 502.454, Transportation  
22 Code, and amended to read as follows:

23 Sec. 502.454 [~~502.203~~]. VEHICLES USED BY NONPROFIT DISASTER  
24 RELIEF ORGANIZATIONS. (a) The owner of a commercial motor vehicle,  
25 trailer, or semitrailer may apply for registration under Section  
26 502.451 [~~502.201~~] and is exempt from the payment of the  
27 registration fee that would otherwise be required by this chapter

1 if the vehicle is owned and used exclusively for emergencies by a  
2 nonprofit disaster relief organization.

3 (b) An application for registration under this section must  
4 include:

5 (1) a statement by the owner of the vehicle that the  
6 vehicle is used exclusively for emergencies and has not been used  
7 for any other purpose;

8 (2) a statement signed by an officer of the nonprofit  
9 disaster relief organization that the vehicle has not been used for  
10 any purpose other than emergencies and qualifies for registration  
11 under this section; and

12 (3) a reasonable description of the vehicle and the  
13 emergency equipment included in the vehicle.

14 (c) An applicant for registration under this section must  
15 pay a fee of \$5.

16 (d) A commercial motor vehicle registered under this  
17 section must display the name of the organization that owns it on  
18 each front door.

19 (e) A vehicle registered under this section must display at  
20 all times an appropriate license plate showing the vehicle's  
21 status.

22 (f) A vehicle registered under this section that is used for  
23 any purpose other than an emergency may not again be registered  
24 under this section.

25 SECTION 151. Section 502.2035, Transportation Code, is  
26 transferred to Subchapter J, Chapter 502, Transportation Code, as  
27 added by this Act, and redesignated as Section 502.455,

1 Transportation Code, to read as follows:

2       Sec. 502.455 [~~502.2035~~]. TRAILERS AND SEMITRAILERS OWNED BY  
3 RELIGIOUS ORGANIZATIONS. (a) A trailer or semitrailer may be  
4 registered without payment if the trailer or semitrailer is:

5           (1) owned by an organization that qualifies as a  
6 religious organization under Section 11.20, Tax Code; and

7           (2) used primarily for the purpose of transporting  
8 property in connection with the charitable activities and functions  
9 of the organization.

10       (b) An application for registration under this section must  
11 include a statement signed by an officer of the religious  
12 organization stating that the trailer or semitrailer qualifies for  
13 registration under this section.

14       SECTION 152. Section 502.204, Transportation Code, is  
15 transferred to Subchapter J, Chapter 502, Transportation Code, as  
16 added by this Act, redesignated as Section 502.456, Transportation  
17 Code, and amended to read as follows:

18       Sec. 502.456 [~~502.204~~]. EMERGENCY SERVICES VEHICLES. (a) A  
19 vehicle may be registered without payment if:

20           (1) the vehicle is owned or leased by an emergency  
21 medical services provider that:

22                   (A) is a nonprofit entity; or

23                   (B) is created and operated by:

24                           (i) a county;

25                           (ii) a municipality; or

26                           (iii) any combination of counties and  
27 municipalities through a contract, joint agreement, or other method

1 provided by Chapter 791, Government Code, or other law authorizing  
2 counties and municipalities to provide joint programs; and

3 (2) the vehicle:

4 (A) is authorized under an emergency medical  
5 services provider license issued by the Department of State [~~Texas~~  
6 ~~Board of~~] Health Services under Chapter 773, Health and Safety  
7 Code, and is used exclusively as an emergency medical services  
8 vehicle; or

9 (B) is an emergency medical services chief or  
10 supervisor vehicle and is used exclusively as an emergency services  
11 vehicle.

12 (b) A vehicle may be registered without payment of a  
13 registration fee if the vehicle:

14 (1) is owned by the Civil Air Patrol, Texas Wing; and

15 (2) is used exclusively as an emergency services  
16 vehicle by members of the Civil Air Patrol, Texas Wing.

17 (c) An application for registration under Subsection (a)  
18 must be accompanied by a copy of the license issued by the  
19 Department of State [~~Texas Board of~~] Health Services. An  
20 application for registration of an emergency medical services  
21 vehicle must include a statement signed by an officer of the  
22 emergency medical services provider that the vehicle is used  
23 exclusively as an emergency response vehicle and qualifies for  
24 registration under this section. An application for registration  
25 of an emergency medical services chief or supervisor vehicle must  
26 include a statement signed by an officer of the emergency medical  
27 services provider stating that the vehicle qualifies for



1 registration under this section.

2 (d) An application for registration under Subsection (b)  
3 must include a statement signed by an officer of the Civil Air  
4 Patrol, Texas Wing, that the vehicle is used exclusively as an  
5 emergency services vehicle by members of the Civil Air Patrol,  
6 Texas Wing.

7 (e) The department must approve an application for  
8 registration under this section as provided by Section 502.451  
9 [~~502.201~~].

10 SECTION 153. Section 520.0225, Transportation Code, is  
11 transferred to Subchapter J, Chapter 502, Transportation Code, as  
12 added by this Act, redesignated as Section 502.457, Transportation  
13 Code, and amended to read as follows:

14 Sec. 502.457 [~~520.0225~~]. PERSONS ON ACTIVE DUTY IN ARMED  
15 FORCES OF UNITED STATES. (a) This section applies only to a used  
16 motor vehicle that is owned by a person who:

17 (1) is on active duty in the armed forces of the United  
18 States;

19 (2) is stationed in or has been assigned to another  
20 nation under military orders; and

21 (3) has registered the vehicle or been issued a  
22 license for the vehicle under the applicable status of forces  
23 agreement by:

24 (A) the appropriate branch of the armed forces of  
25 the United States; or

26 (B) the nation in which the person is stationed  
27 or to which the person has been assigned.

1 (b) The requirement [~~in Section 520.021~~] that a used vehicle  
2 be registered under the law of this state does not apply to a  
3 vehicle described by Subsection (a). In lieu of delivering the  
4 license receipt to the transferee of the vehicle, as required by  
5 Section 501.0721 [~~520.022~~], the person selling, trading, or  
6 otherwise transferring a used motor vehicle described by Subsection  
7 (a) shall deliver to the transferee:

8 (1) a letter written on official letterhead by the  
9 owner's unit commander attesting to the registration of the vehicle  
10 under Subsection (a)(3); or

11 (2) the registration receipt issued by the appropriate  
12 branch of the armed forces or host nation.

13 (c) A registration receipt issued by a host nation that is  
14 not written in the English language must be accompanied by:

15 (1) a written translation of the registration receipt  
16 in English; and

17 (2) an affidavit, in English and signed by the person  
18 translating the registration receipt, attesting to the person's  
19 ability to translate the registration receipt into English.

20 SECTION 154. Chapter 502, Transportation Code, is amended  
21 by adding Subchapter K to read as follows:

22 SUBCHAPTER K. OFFENSES AND PENALTIES

23 SECTION 155. Section 502.401, Transportation Code, is  
24 transferred to Subchapter K, Chapter 502, Transportation Code, as  
25 added by this Act, redesignated as Section 502.471, Transportation  
26 Code, and amended to read as follows:

27 Sec. 502.471 [~~502.401~~]. GENERAL PENALTY. (a) A person

1 commits an offense if the person violates a provision of this  
2 chapter and no other penalty is prescribed for the violation.

3 (b) This section does not apply to a violation of Section  
4 502.003, 502.042, 502.197 [~~502.101, 502.109, 502.112, 502.113,~~  
5 ~~502.114, 502.152, 502.164~~], or 502.431 [~~502.282~~].

6 (c) Unless otherwise specified, an [~~An~~] offense under this  
7 section is a misdemeanor punishable by a fine not to exceed \$200.

8 SECTION 156. Section 502.402, Transportation Code, is  
9 transferred to Subchapter K, Chapter 502, Transportation Code, as  
10 added by this Act, redesignated as Section 502.472, Transportation  
11 Code, and amended to read as follows:

12 Sec. 502.472 [~~502.402~~]. OPERATION OF VEHICLE UNDER IMPROPER  
13 REGISTRATION [~~UNREGISTERED MOTOR VEHICLE~~]. [~~(a)~~] A person commits  
14 an offense if the person operates a motor vehicle that has not been  
15 registered or registered for a class other than that to which the  
16 vehicle belongs as required by law. [~~An offense under this~~  
17 ~~subsection is a misdemeanor punishable by a fine not to exceed~~  
18 ~~\$200.~~]

19 SECTION 157. Section 502.404, Transportation Code, is  
20 transferred to Subchapter K, Chapter 502, Transportation Code, as  
21 added by this Act, redesignated as Section 502.473, Transportation  
22 Code, and amended to read as follows:

23 Sec. 502.473 [~~502.404~~]. OPERATION OF VEHICLE WITHOUT  
24 [~~LICENSE PLATE OR~~] REGISTRATION INSIGNIA. (a) [~~A person commits an~~  
25 ~~offense if the person operates on a public highway during a~~  
26 ~~registration period a passenger car or commercial motor vehicle~~  
27 ~~that does not display two license plates, at the front and rear of~~

1 ~~the vehicle, that have been:~~

2 ~~[(1) assigned by the department for the period; or~~

3 ~~[(2) validated by a registration insignia issued by~~  
4 ~~the department that establishes that the vehicle is registered for~~  
5 ~~the period.~~

6 ~~[(b)]~~ A person commits an offense if the person operates on  
7 a public highway during a registration period a ~~[passenger car or~~  
8 ~~commercial]~~ motor vehicle~~[, other than a vehicle assigned license~~  
9 ~~plates for the registration period,]~~ that does not properly display  
10 the registration insignia issued by the department that establishes  
11 that the license plates have been validated for the period.

12 (b) ~~[(c)]~~ A person commits an offense if the person operates  
13 on a public highway during a registration period a road tractor,  
14 motorcycle, trailer, or semitrailer that does not display ~~[a~~  
15 ~~license plate, attached to the rear of the vehicle, that has been:~~

16 ~~[(1) assigned by the department for the period; or~~

17 ~~[(2) validated by]~~ a registration insignia issued by  
18 the department that establishes that the vehicle is registered for  
19 the period.

20 (c) This section does ~~[(d) Subsections (a) and (b) do]~~ not  
21 apply to a dealer operating a vehicle as provided by law.

22 (d) ~~[(e) An offense under this section is a misdemeanor~~  
23 ~~punishable by a fine not to exceed \$200.~~

24 ~~[(f) A court may dismiss a charge brought under Subsection~~  
25 ~~(a) if the defendant:~~

26 ~~[(1) remedies the defect before the defendant's first~~  
27 ~~court appearance; and~~

1           ~~[(2) pays an administrative fee not to exceed \$10.]~~

2           ~~[(g)]~~ A court may dismiss a charge brought under Subsection  
3 (a) ~~[(b)]~~ if the defendant:

4           (1) shows that~~+~~

5                   ~~[(A)]~~ the ~~[passenger car or commercial]~~ motor  
6 vehicle was issued a registration insignia by the department that  
7 was attached to the motor vehicle, establishing that ~~[establishes~~  
8 ~~that]~~ the vehicle was registered for the period during which the  
9 offense was committed; and

10                   ~~[(B) the registration insignia described in~~  
11 ~~Paragraph (A) was attached to the passenger car or commercial motor~~  
12 ~~vehicle before the defendant's first court appearance; and]~~

13           (2) pays an administrative fee not to exceed \$10.

14           SECTION 158. Subchapter K, Chapter 502, Transportation  
15 Code, as added by this Act, is amended by adding Section 502.474 to  
16 read as follows:

17           Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. A  
18 person commits an offense if the person operates a vehicle for which  
19 a one-trip permit is required without the registration receipt and  
20 properly displayed temporary tag.

21           SECTION 159. Section 502.409, Transportation Code, is  
22 transferred to Subchapter K, Chapter 502, Transportation Code, as  
23 added by this Act, redesignated as Section 502.475, Transportation  
24 Code, and amended to read as follows:

25           Sec. 502.475 ~~[502.409]~~. WRONG, FICTITIOUS, ALTERED, OR  
26 OBSCURED INSIGNIA ~~[LICENSE PLATE]~~. (a) A person commits an offense  
27 if the person attaches to or displays on a motor vehicle a ~~[number~~

1 ~~plate or~~] registration insignia that:

2 (1) is assigned to a different motor vehicle;

3 (2) is assigned to the vehicle under any other motor  
4 vehicle law other than by the department;

5 (3) is assigned for a registration period other than  
6 the registration period in effect; or

7 (4) is fictitious[~~+~~

8 [~~(5) has blurring or reflective matter that~~  
9 ~~significantly impairs the readability of the name of the state in~~  
10 ~~which the vehicle is registered or the letters or numbers of the~~  
11 ~~license plate number at any time;~~

12 [~~(6) has an attached illuminated device or sticker,~~  
13 ~~decal, emblem, or other insignia that is not authorized by law and~~  
14 ~~that interferes with the readability of the letters or numbers of~~  
15 ~~the license plate number or the name of the state in which the~~  
16 ~~vehicle is registered;~~ or

17 [~~(7) has a coating, covering, protective material, or~~  
18 ~~other apparatus that:~~

19 [(A) ~~distorts angular visibility or~~  
20 ~~detectability;~~

21 [(B) ~~alters or obscures one-half or more of the~~  
22 ~~name of the state in which the vehicle is registered;~~ or

23 [(C) ~~alters or obscures the letters or numbers of~~  
24 ~~the license plate number or the color of the plate].~~

25 (b) Except as provided by Subsection (d) [~~(f)~~], an offense  
26 under Subsection (a) is a misdemeanor punishable by a fine of not  
27 more than \$200, unless it is shown at the trial of the offense that

1 the owner knowingly altered or made illegible the letters, numbers,  
2 and other identification marks, in which case the offense is a Class  
3 B misdemeanor.

- 4 (c) [~~Subsection (a)(7) may not be construed to apply to:~~  
5 [~~(1) a trailer hitch installed on a vehicle in a normal~~  
6 ~~or customary manner;~~  
7 [~~(2) a transponder, as defined by Section 228.057,~~  
8 ~~that is attached to a vehicle in the manner required by the issuing~~  
9 ~~authority;~~  
10 [~~(3) a wheelchair lift or wheelchair carrier that is~~  
11 ~~attached to a vehicle in a normal or customary manner;~~  
12 [~~(4) a trailer being towed by a vehicle; or~~  
13 [~~(5) a bicycle rack that is attached to a vehicle in a~~  
14 ~~normal or customary manner.~~

15 [~~(d)] A court may dismiss a charge brought under Subsection  
16 (a)(3) [~~, (5), (6), or (7)~~] if the defendant:~~

- 17 (1) remedies the defect before the defendant's first  
18 court appearance; and  
19 (2) pays an administrative fee not to exceed \$10.

20 (d) [~~(f)] An offense under Subsection (a)(4) is a Class B  
21 misdemeanor.~~

22 SECTION 160. Subchapter K, Chapter 502, Transportation  
23 Code, as added by this Act, is amended by adding Sections 502.476,  
24 502.477, 502.478, and 502.479 to read as follows:

25 Sec. 502.476. ANNUAL PERMITS; OFFENSE. A person who  
26 violates Section 502.093 commits an offense.

27 Sec. 502.477. NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT

1 AGRICULTURAL PRODUCT; OFFENSE. (a) A person operating a vehicle  
2 under a permit issued under Section 502.092 commits an offense if  
3 the person transports farm products to a place of market, storage,  
4 or processing or a railhead or seaport that is farther from the  
5 place of production or point of entry, as appropriate, than the  
6 distance provided for in the permit.

7 (b) An offense under this section is a misdemeanor  
8 punishable by a fine of not less than \$25 or more than \$200.

9 Sec. 502.478. COMMERCIAL MOTOR VEHICLE USED PRIMARILY FOR  
10 AGRICULTURAL PURPOSES; OFFENSE. (a) The owner of a commercial  
11 motor vehicle registered under Section 502.433 commits an offense  
12 if the person uses or permits the use of the vehicle for a purpose  
13 other than one allowed under Section 502.433. Each use or  
14 permission of use in violation of this section is a separate  
15 offense.

16 (b) An offense under this section is a misdemeanor  
17 punishable by a fine of not less than \$25 or more than \$200.

18 Sec. 502.479. SEASONAL AGRICULTURAL VEHICLE; OFFENSE. A  
19 person issued a registration under Section 502.432 commits an  
20 offense if the person, during the registration period, uses the  
21 truck-tractor or commercial motor vehicle for a purpose other than  
22 to transport a seasonal agricultural product.

23 SECTION 161. Section 520.014, Transportation Code, is  
24 transferred to Subchapter K, Chapter 502, Transportation Code, as  
25 added by this Act, redesignated as Section 502.480, Transportation  
26 Code, and amended to read as follows:

27 Sec. 502.480 [~~520.014~~]. VIOLATION BY COUNTY



1 ASSESSOR-COLLECTOR; PENALTY. (a) A county assessor-collector  
2 commits an offense if the county assessor-collector knowingly  
3 accepts an application for the registration of a motor vehicle  
4 that:

5 (1) has had the original motor number or vehicle  
6 identification number removed, erased, or destroyed; and

7 (2) does not bear a motor number or vehicle  
8 identification number assigned by the department.

9 (b) An offense under this section is a misdemeanor  
10 punishable by a fine of not less than \$10 and not more than \$50.

11 SECTION 162. Chapter 502, Transportation Code, is amended  
12 by adding Subchapter L to read as follows:

13 SUBCHAPTER L. REGISTRATION AND TRANSFER OF USED VEHICLES

14 SECTION 163. Section 502.451, Transportation Code, is  
15 transferred to Subchapter L, Chapter 502, Transportation Code, as  
16 added by this Act, redesignated as Section 502.491, Transportation  
17 Code, and amended to read as follows:

18 Sec. 502.491 [~~502.451~~]. TRANSFER OF VEHICLE REGISTRATION  
19 [~~AND REMOVAL OF LICENSE PLATES~~]. (a) On the sale or transfer of a  
20 motor vehicle [~~to a dealer~~], [~~as defined by Section 503.001, who~~  
21 ~~holds a general distinguishing number issued under Chapter 503, the~~  
22 ~~dealer shall remove each license plate and~~] the registration  
23 insignia issued for the motor vehicle shall be removed.

24 [~~(a-1) On a sale or transfer of a motor vehicle to a person~~  
25 ~~that does not hold a general distinguishing number issued under~~  
26 ~~Chapter 503, the seller or transferor may remove each license plate~~  
27 ~~and the registration insignia issued for the motor vehicle.~~]

1 (b) [~~A license plate removed from a motor vehicle under~~  
2 ~~Subsection (a) or (a-1) must be:~~

3 [~~(1) disposed of in the manner specified by the~~  
4 ~~department, or~~

5 [~~(2) transferred to another vehicle owned by the~~  
6 ~~seller or transferor as provided by Section 502.452.~~

7 [~~(c)~~] The part of the registration period remaining at the  
8 time of the sale or transfer shall continue with the vehicle being  
9 sold or transferred and does not transfer with the license plates or  
10 registration validation insignia. To continue the remainder of  
11 the registration period, the purchaser or transferee must file the  
12 documents required under Section 501.145 [~~520.031~~].

13 SECTION 164. Section 502.454, Transportation Code, is  
14 transferred to Subchapter L, Chapter 502, Transportation Code, as  
15 added by this Act, redesignated as Section 502.492, Transportation  
16 Code, and amended to read as follows:

17 Sec. 502.492 [~~502.454~~]. TEMPORARY TRANSIT PERMIT FOR A  
18 VEHICLE PURCHASED [~~IN A PRIVATE PARTY TRANSACTION~~]. (a) A  
19 purchaser [~~or transferee~~] may obtain from the department a  
20 temporary transit [~~single-trip~~] permit to operate a motor vehicle:

21 (1) that is subject to registration in this state;

22 (2) from which the license plates and the registration  
23 insignia have been removed as authorized by Section 502.491 or  
24 504.901 [~~502.451(a-1)~~]; and

25 (3) that is not authorized to travel on a public  
26 roadway because the required license plates and the registration  
27 insignia are not attached to the vehicle.

1 (b) The department may issue the permit in accordance with  
2 this section.

3 (c) A permit issued under this section is valid for one trip  
4 between the point of origin and the destination and those  
5 intermediate points specified in the permit.

6 (d) A permit issued under this section may not be valid for  
7 longer than a five-day period.

8 (e) A person may obtain a permit under this section by  
9 applying, as [~~on a form~~] provided by the department, to the  
10 department. Application may be made using the department's  
11 Internet website.

12 (f) A person is eligible to receive only one permit under  
13 this section for a motor vehicle.

14 (g) A permit receipt issued under this section must be in  
15 [~~on~~] a manner [~~form~~] provided by the department. The receipt must  
16 contain the information required by this section and shall be  
17 carried in the vehicle at all times during which it is valid.

18 (h) The department may refuse to issue a permit under this  
19 section for any vehicle if in the department's opinion the  
20 applicant has been involved in operations that constitute an abuse  
21 of the privilege granted under this section.

22 SECTION 165. The heading to Chapter 504, Transportation  
23 Code, is amended to read as follows:

24 CHAPTER 504. [~~SPECIALTY~~] LICENSE PLATES

25 SECTION 166. Section 504.001(a), Transportation Code, is  
26 amended by adding Subdivision (3) to read as follows:

27 (3) "Purchaser" and "seller" have the meanings

1 assigned by Section 501.002.

2 SECTION 167. Section 504.004, Transportation Code, is  
3 redesignated as Section 504.0011, Transportation Code, and amended  
4 to read as follows:

5 Sec. 504.0011 [~~504.004~~]. RULES [~~AND FORMS~~]. The board may  
6 adopt rules [~~and the department may issue forms~~] to implement and  
7 administer this chapter.

8 SECTION 168. Section 504.002, Transportation Code, is  
9 amended to read as follows:

10 Sec. 504.002. [~~PROVISIONS — OF~~] GENERAL PROVISIONS  
11 [~~APPLICABILITY~~]. Unless expressly provided by this chapter or by  
12 department rule:

13 (1) except for license plates specified as exempt,  
14 [~~any vehicle is eligible to be issued specialty license plates,~~  
15 ~~provided that the department may vary the design of a license plate~~  
16 ~~to accommodate or reflect its use on a motor vehicle other than a~~  
17 ~~passenger car or light truck,~~

18 [~~(2) an application for specialty license plates must~~  
19 ~~be submitted in the manner specified by the department, provided~~  
20 ~~that if issuance of a specialty license plate is limited to~~  
21 ~~particular persons or motor vehicles, the application must be~~  
22 ~~accompanied by evidence satisfactory to the department that the~~  
23 ~~applicant or the applicant's vehicle is eligible,~~

24 [~~(3)~~] the fee for issuance of a [~~specialty~~] license  
25 plate, including replacement plates, is in addition to each other  
26 fee that is paid for [~~or~~] at the time of the registration of the  
27 motor vehicle and shall be deposited to the credit of the state

1 highway fund;

2 (2) if the registration period is greater than 12  
3 months, the expiration date of a specialty license plate, symbol,  
4 tab, or other device shall be aligned with the registration period,  
5 and the specialty plate fee shall be adjusted pro rata, except that  
6 if the statutory annual fee for a specialty license plate is \$5 or  
7 less, it may not be prorated;

8 (3) [(4) each fee described by this chapter is an  
9 annual fee, provided that the department may prorate the fee for a  
10 specialty license plate fee on a monthly basis to align the license  
11 plate fee to the registration period for the motor vehicle for which  
12 the license plate was issued, and if a fee is prorated the  
13 allocation of the fee by this chapter to an account or fund shall be  
14 prorated in proportion;

15 [(5)] the department is the exclusive owner of the  
16 design of each [specialty] license plate;

17 (4) [(6) the director may refuse to issue a specialty  
18 license plate with a design or alphanumeric pattern that the  
19 director considers potentially objectionable to one or more members  
20 of the public and the director's refusal may not be overturned in  
21 the absence of an abuse of discretion;

22 [(7) for each specialty license plate that is issued  
23 through a county tax assessor-collector and for which the  
24 department is allocated a portion of a fee for administrative  
25 costs, the department shall credit 50 cents from its administrative  
26 costs to the county treasurer of the applicable county, who shall  
27 credit the money to the general fund of the county to defray the

1 ~~costs to the county of administering this chapter,~~

2           ~~[(8)]~~ if a [~~specialty~~] license plate is lost, stolen,  
3 or mutilated, an application for a replacement plate must be  
4 accompanied by the fee prescribed by Section 502.060  
5 ~~[502.184(a)(2)],~~

6           ~~[(9) if the owner of a motor vehicle for which a~~  
7 ~~specialty license plate is issued disposes of the vehicle or for any~~  
8 ~~reason ceases to be eligible for that specialty license plate, the~~  
9 ~~owner shall return the specialty license plate to the department];~~  
10 and

11           (5) the department shall prepare the designs and  
12 specifications of license plates ~~[(10) a person who is issued a~~  
13 ~~specialty license plate may not transfer it to another person or~~  
14 ~~vehicle without first receiving approval from the department].~~

15           SECTION 169. Section 504.103, Transportation Code, is  
16 transferred to Subchapter A, Chapter 504, Transportation Code,  
17 redesignated as Section 504.005, Transportation Code, and amended  
18 to read as follows:

19           Sec. 504.005 ~~[504.103]~~. DESIGN AND ALPHANUMERIC PATTERN.  
20 (a) The department has sole control over the design, typeface,  
21 color, and alphanumeric pattern for all ~~[a personalized]~~ license  
22 plates ~~[plate]~~.

23           (b) The department shall prepare the designs and  
24 specifications of license plates and devices selected by the board  
25 to be used as a unique identifier.

26           (c) The department shall design each license plate to  
27 include a design at least one-half inch wide that represents in

1 silhouette the shape of Texas and that appears between letters and  
2 numerals. The department may omit the silhouette of Texas from  
3 specially designed license plates.

4 (d) To promote highway safety, each license plate shall be  
5 made with a reflectorized material that provides effective and  
6 dependable brightness for the period for which the plate is issued.

7 SECTION 170. Subchapter A, Chapter 504, Transportation  
8 Code, is amended by adding Section 504.0051 to read as follows:

9 Sec. 504.0051. PERSONALIZED LICENSE PLATES. (a) The  
10 department shall issue personalized license plates, including  
11 those issued in accordance with the marketing vendor as provided in  
12 Subchapter J. The department may not issue more than one set of  
13 license plates with the same alphanumeric pattern.

14 (b) The department may not issue a replacement set of  
15 personalized plates to the same person before the period set by rule  
16 unless the applicant for issuance of replacement plates pays the  
17 fee required by Section 504.007.

18 SECTION 171. Section 502.053, Transportation Code, is  
19 transferred to Subchapter A, Chapter 504, Transportation Code,  
20 redesignated as Section 504.006, Transportation Code, and amended  
21 to read as follows:

22 Sec. 504.006 [502.053]. COST OF MANUFACTURING [LICENSE  
23 PLATES OR REGISTRATION INSIGNIA]. (a) The department shall  
24 reimburse the Texas Department of Criminal Justice for the cost of  
25 manufacturing license plates [or registration insignia] as [the  
26 license plates or insignia and] the invoices [invoice] for the  
27 license plates [or insignia] are delivered to the department.

1 (b) When manufacturing is started, the Texas Department of  
2 Criminal Justice and [7] the department, [~~and the comptroller,~~]  
3 after negotiation, shall set the price to be paid for each license  
4 plate [~~or insignia~~]. The price must be determined from:

5 (1) the cost of metal, paint, and other materials  
6 purchased;

7 (2) the inmate maintenance cost per shift [~~day~~];

8 (3) overhead expenses;

9 (4) miscellaneous charges; and

10 (5) a previously agreed upon [~~approved~~] amount of  
11 profit for the work.

12 [~~(c) The annual profit received by the Texas Department of~~  
13 ~~Criminal Justice from all contracts for the manufacturing of~~  
14 ~~license plates or related manufacturing may not be less than the~~  
15 ~~profit received by the Texas Department of Corrections for~~  
16 ~~manufacturing license plates for use in 1974.]~~

17 SECTION 172. Section 502.1841, Transportation Code, as  
18 effective September 1, 2011, is transferred to Subchapter A,  
19 Chapter 504, Transportation Code, redesignated as Section 504.007,  
20 Transportation Code, and amended to read as follows:

21 Sec. 504.007 [~~502.1841~~]. REPLACEMENT LICENSE PLATES. (a)  
22 The owner of a registered motor vehicle may obtain replacement  
23 license plates for the vehicle by:

24 (1) certifying that the replacement plates will not be  
25 used on any other vehicle owned or operated by the person making the  
26 statement;

27 (2) paying a fee of \$6 plus the fee required by Section



1 502.356(a) [~~502.1705(a)~~] for each set of replacement license  
2 plates, unless otherwise specified by law; and

3 (3) returning to the department each license plate in  
4 the owner's possession for which a replacement license plate is  
5 obtained.

6 (b) Replacement license plates may not be issued except as  
7 provided by this section.

8 (c) A county assessor-collector shall retain \$2.50 of each  
9 fee collected under this section and forward the remainder of the  
10 fee to the department.

11 (d) The fee required by this section applies to the issuance  
12 of license plates for a transferred used vehicle for which the  
13 registration and license plates were not transferred under Section  
14 504.901 [~~Subchapter I~~].

15 (e) Replacement license plates may be used in the  
16 registration year in which the plates are issued and during each  
17 succeeding year of the registration period as set by rule if the  
18 registration insignia is properly displayed on the vehicle.

19 (f) Subsection (e) does not apply to the issuance of  
20 specialized license plates for limited distribution, including  
21 exempt plates for governmental entities and temporary registration  
22 plates.

23 SECTION 173. Subchapter A, Chapter 504, Transportation  
24 Code, is amended by adding Section 504.008 to read as follows:

25 Sec. 504.008. SPECIALTY LICENSE PLATES. (a) The  
26 department shall prepare the designs and specifications of  
27 specialty license plates.

1       (b) Any motor vehicle other than a vehicle manufactured for  
2 off-highway use only is eligible to be issued specialty license  
3 plates, provided that the department may vary the design of a  
4 license plate to accommodate or reflect its use on a motor vehicle  
5 other than a passenger car or light truck.

6       (c) An application for specialty license plates must be  
7 submitted in the manner specified by the department, provided that  
8 if issuance of a specialty license plate is limited to particular  
9 persons or motor vehicles, the application must be accompanied by  
10 evidence satisfactory to the department that the applicant or the  
11 applicant's vehicle is eligible.

12       (d) Each fee described by this chapter is an annual fee,  
13 provided that the department may prorate the fee for a specialty  
14 license plate fee on a monthly basis to align the license plate fee  
15 to the registration month for the motor vehicle for which the  
16 license plate was issued, and if a fee is prorated the allocation of  
17 the fee by this chapter to an account or fund shall be prorated in  
18 proportion.

19       (e) The director or the director's designee may refuse to  
20 issue a specialty license plate with a design or alphanumeric  
21 pattern that the director or designee considers potentially  
22 objectionable to one or more members of the public and the director  
23 or designee's refusal may not be overturned in the absence of an  
24 abuse of discretion.

25       (f) For each specialty license plate that is issued by a  
26 county assessor-collector and for which the department is allocated  
27 a portion of the fee for administrative costs, the department shall

1 credit 50 cents from its administrative costs to the county  
2 treasurer of the applicable county, who shall credit the money to  
3 the general fund of the county to defray the costs to the county of  
4 administering this chapter.

5 (g) If the owner of a motor vehicle for which a specialty  
6 license plate is issued disposes of the vehicle or for any reason  
7 ceases to be eligible for that specialty license plate, the owner  
8 shall return the specialty license plate to the department.

9 (h) A person who is issued a specialty license plate may not  
10 transfer the plate to another person or vehicle unless the  
11 department approves the transfer.

12 SECTION 174. Section 504.003, Transportation Code, is  
13 redesignated as Section 504.009, Transportation Code, and amended  
14 to read as follows:

15 Sec. 504.009 [~~504.003~~]. SOUVENIR LICENSE PLATES. (a) The  
16 department may issue a souvenir version of any specialty license  
17 plate for any vehicle [~~, including a motorcycle~~].

18 (b) The fee for a single souvenir license plate is \$20. The  
19 fee shall be deposited to the credit of the state highway fund  
20 unless the souvenir license plate is a replica of a specialty  
21 license plate issued under Subchapter G or I for which the fee is  
22 deposited to an account other than the state highway fund, in which  
23 case:

24 (1) \$10 of the fee for the souvenir license plate shall  
25 be deposited to the credit of the designated account; and

26 (2) \$10 of the fee for the souvenir license plate shall  
27 be deposited to the credit of the state highway fund.

1 (c) If a souvenir license plate issued before September 1,  
2 2009, is personalized, the fee for the plate is \$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 September 1, 2009, is the amount established under Section  
14 504.851(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 175. 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 176. Sections 504.201(b), (d), and (g),  
12 Transportation Code, are amended to read as follows:

13 (b) The department shall issue specialty license plates for  
14 a motor vehicle that:

15 (1) has a gross vehicle weight [~~manufacturer's rated~~  
16 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less; and

17 (2) is regularly operated for noncommercial use by or  
18 for the transportation of a person with a permanent disability.

19 (d) Except as provided by Subsection (d-1), the initial  
20 application for specialty license plates under this section must be  
21 accompanied by a written statement from a physician who is licensed  
22 to practice medicine in this state or in a state adjacent to this  
23 state or who is authorized by applicable law to practice medicine in  
24 a hospital or other health facility of the Department of Veterans  
25 Affairs. If the applicant has a mobility problem caused by a  
26 disorder of the foot, the written statement may be issued by a  
27 person licensed to practice podiatry in this state or a state

1 adjacent to this state. In this subsection, "podiatry" has the  
2 meaning assigned by Section 681.001. The statement must certify  
3 that the person making the application or on whose behalf the  
4 application is made is legally blind or has a mobility problem that  
5 substantially impairs the person's ability to ambulate. The  
6 statement must also certify whether a mobility problem is temporary  
7 or permanent. A written statement is not required as acceptable  
8 medical proof if:

9 (1) the person with a disability:

10 (A) has had a limb, hand, or foot amputated; or

11 (B) must use a wheelchair; and

12 (2) the applicant executes a statement [~~and the county~~  
13 ~~assessor-collector processing the application execute an~~  
14 ~~affidavit~~] attesting to the person's disability before the county  
15 assessor-collector.

16 (g) In addition to a license plate issued under this  
17 section, an eligible person is entitled to be issued a set of the  
18 license plates for each motor vehicle owned by the person that has a  
19 gross vehicle weight [~~carrying capacity~~] of 18,000 pounds [~~two~~  
20 ~~tons~~] or less and is equipped with special equipment that:

21 (1) is designed to allow a person who has lost the use  
22 of one or both of the person's legs to operate the vehicle; and

23 (2) is not standard equipment on that type of vehicle  
24 for use by a person who has use of both legs.

25 SECTION 177. Section 504.202, Transportation Code, is  
26 amended by amending Subsections (b) and (f) and adding Subsection  
27 (i) to read as follows:

1 (b) A veteran of the United States armed forces is entitled  
2 to register, for the person's own use, motor vehicles under this  
3 section if:

4 (1) the person has suffered, as a result of military  
5 service:

6 (A) at least a 50 percent service-connected  
7 disability; or

8 (B) a 40 percent service-connected disability  
9 because of the amputation of a lower extremity;

10 (2) the person receives compensation from the United  
11 States because of the disability; and

12 (3) the motor vehicle:

13 (A) is owned by the person; and

14 (B) has a gross vehicle weight [~~manufacturer's~~  
15 ~~rated carrying capacity~~] of 18,000 pounds [~~two tons~~] or less.

16 (f) The fee for the first set of license plates is \$3. There  
17 is no fee for each additional set of license plates. [~~If a license~~  
18 ~~plate is lost, stolen, or mutilated, on payment of a \$1 fee the~~  
19 ~~department shall issue a set of replacement plates.~~]

20 (i) A license plate with the letters "DV" may be  
21 personalized with up to four characters.

22 SECTION 178. Section 504.203(b), Transportation Code, is  
23 amended to read as follows:

24 (b) An application for license plates under this section  
25 must be accompanied by a written statement acknowledged [~~signed~~] by  
26 the administrator or manager of the institution, facility, or  
27 retirement community certifying that the institution, facility, or

1 retirement community regularly transports, as a part of the  
2 services that the institution, facility, or retirement community  
3 provides, one or more eligible persons who reside in the  
4 institution, facility, or retirement community. The department  
5 shall determine the eligibility of the institution, facility, or  
6 retirement community on the evidence the applicant provides.

7 SECTION 179. Section 504.3011, Transportation Code, is  
8 amended to read as follows:

9 Sec. 504.3011. DESIGN OF CERTAIN LICENSE PLATES FOR THE  
10 MILITARY. [~~(a) License plates issued under Section 504.303 must~~  
11 ~~at a minimum bear a color depiction of the emblem of the appropriate~~  
12 ~~branch of the United States armed forces.~~

13 [~~(b) License plates issued under Section 504.308(a) or~~  
14 ~~504.315(c), (f), or (g) must at a minimum bear a color depiction of~~  
15 ~~the appropriate medal.~~

16 [~~(c)~~] The department shall design military license plates  
17 that bear a color depiction of the emblem of the appropriate branch  
18 of the United States armed forces or a color depiction of the  
19 appropriate medal as provided by the United States Department of  
20 Defense [~~to which this section applies in consultation with~~  
21 ~~veterans organizations~~].

22 SECTION 180. Section 504.315(d), Transportation Code, is  
23 amended to read as follows:

24 (d) The department shall issue specialty license plates for  
25 survivors of the attack on Pearl Harbor on December 7, 1941. The  
26 license plates must include the words "Pearl Harbor Survivor." [~~and~~  
27 ~~must be consecutively numbered.~~] A person is eligible if the



1 person:

- 2 (1) served in the United States armed forces;
- 3 (2) was stationed in the Hawaiian Islands on December  
4 7, 1941; and
- 5 (3) survived the attack on Pearl Harbor on December 7,  
6 1941.

7 SECTION 181. Subchapter E, Chapter 504, Transportation  
8 Code, is amended by adding Section 504.400 to read as follows:

9 Sec. 504.400. FEES FOR CERTAIN RESTRICTED PLATES. The  
10 department shall issue, without charge, not more than three sets of  
11 specialty license plates under this subchapter.

12 SECTION 182. Sections 504.401(a) and (c), Transportation  
13 Code, are amended to read as follows:

14 (a) The department shall issue [~~without charge~~] specialty  
15 license plates that include the words "State Official" to a state  
16 official. [~~The license plates must include the words "State~~  
17 ~~Official."~~]

18 (c) The registration remains [~~license plates remain~~] valid  
19 until December 31 of each year.

20 SECTION 183. Section 504.402(a), Transportation Code, is  
21 amended to read as follows:

22 (a) The department shall issue [~~without charge~~] specialty  
23 license plates to [~~for~~] members of congress, which [~~License~~  
24 ~~plates issued under this section~~] must include the words "U.S.  
25 Congress."

26 SECTION 184. Section 504.403(a), Transportation Code, is  
27 amended to read as follows:

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

5 SECTION 185. Section 504.403(d)(2), Transportation Code,  
6 is amended to read as follows:

7 (2) "State judge" means:

8 (A) a justice of the supreme court;

9 (B) a judge of the court of criminal appeals;

10 (C) a judge of a court of appeals of this state;

11 (D) a district court judge;

12 (E) a presiding judge of an administrative  
13 judicial district; or

14 (F) a statutory county court judge.

15 SECTION 186. Section 504.404(a), Transportation Code, is  
16 amended to read as follows:

17 (a) The department shall issue [~~without charge~~] specialty  
18 license plates to [~~for~~] current federal administrative law judges  
19 that [~~. The license plates shall~~] bear the words "U.S. A. L.  
20 Judge."

21 SECTION 187. Section 504.405(a), Transportation Code, is  
22 amended to read as follows:

23 (a) The department shall issue [~~without charge~~] specialty  
24 license plates for current county judges of this state that [~~. The  
25 license plates shall~~] bear the words "County Judge."

26 SECTION 188. Section 504.406, Transportation Code, is  
27 amended to read as follows:

1           Sec. 504.406. TEXAS CONSTABLES. The department shall issue  
2 [~~without charge~~] specialty license plates for Texas constables  
3 that [~~. The license plates shall~~] bear the words "Texas Constable."

4           SECTION 189. Section 504.412, Transportation Code, is  
5 redesignated as Section 504.4061, Transportation Code, and amended  
6 to read as follows:

7           Sec. 504.4061 [~~504.412~~]. FOREIGN ORGANIZATION VEHICLES.

8 (a) The department shall issue specialty license plates for an  
9 instrumentality established by a foreign government recognized by  
10 the United States before January 1, 1979, that is without official  
11 representation or diplomatic relations with the United States. The  
12 license plates must include the words "Foreign Organization" and  
13 shall remain valid for seven [~~five~~] years.

14 (b) A person entitled to specialty license plates under this  
15 section may register the vehicle without payment of any fee paid for  
16 or at the time of registration.

17           SECTION 190. Section 504.509, Transportation Code, as  
18 effective September 1, 2011, is transferred to Subchapter E,  
19 Chapter 504, Transportation Code, and redesignated as Section  
20 504.415, Transportation Code, to read as follows:

21           Sec. 504.415 [~~504.509~~]. VEHICLES CARRYING MOBILE AMATEUR  
22 RADIO EQUIPMENT. The department shall issue specialty license  
23 plates for a person who holds an amateur radio station license  
24 issued by the Federal Communications Commission and who operates  
25 receiving and transmitting mobile amateur radio equipment. The  
26 license plates shall include the person's amateur call letters as  
27 assigned by the Federal Communications Commission. A person may

1 register more than one vehicle equipped with mobile amateur radio  
2 equipment under this section, and the department shall issue  
3 license plates that include the same amateur call letters for each  
4 vehicle.

5 SECTION 191. The heading to Subchapter F, Chapter 504,  
6 Transportation Code, is amended to read as follows:

7 SUBCHAPTER F. SPECIALTY LICENSE PLATES WITH RESTRICTED  
8 DISTRIBUTION AND REGULAR LICENSE PLATE FEES [~~FOR CERTAIN VEHICLES~~]

9 SECTION 192. Section 504.502(g), Transportation Code, is  
10 amended to read as follows:

11 (g) A person entitled to specialty license plates or to  
12 department approval under this section may register the vehicle  
13 without payment of any fees paid for or at the time of registration  
14 except the fee for the license plate. [~~An owner of a vehicle~~  
15 ~~registered under this subsection who violates this section commits~~  
16 ~~an offense. An offense under this section is a misdemeanor~~  
17 ~~punishable by a fine of not less than \$5 or more than \$200.~~]

18 SECTION 193. Section 504.503, Transportation Code, is  
19 amended to read as follows:

20 Sec. 504.503. MUNICIPAL, MOTOR, AND PRIVATE BUSES.  
21 [~~(a)~~] The department shall issue without charge specialty license  
22 plates for municipal buses, motor buses, and private buses. The  
23 license plates must include the words "City Bus," "Motor Bus," or  
24 "Private Bus," as appropriate.

25 [~~(b) In this section, "private bus" means a bus that:~~

26 [~~(1) is not operated for hire; and~~

27 [~~(2) is not classified as a municipal bus or a motor~~

1 ~~bus.~~]

2 SECTION 194. The heading to Section 504.506, Transportation  
3 Code, is amended to read as follows:

4 Sec. 504.506. [~~CERTAIN~~] LOG LOADER VEHICLES.

5 SECTION 195. Sections 504.407 and 504.408, Transportation  
6 Code, are transferred to Subchapter F, Chapter 504, Transportation  
7 Code, and redesignated as Sections 504.511 and 504.512,  
8 Transportation Code, to read as follows:

9 Sec. 504.511 [~~504.407~~]. PEACE OFFICERS WOUNDED OR KILLED  
10 IN LINE OF DUTY. (a) The department shall issue specialty license  
11 plates for:

12 (1) a person wounded in the line of duty as a peace  
13 officer; or

14 (2) a surviving spouse, parent, brother, sister, or  
15 adult child, including an adopted child or stepchild, of a person  
16 killed in the line of duty as a peace officer.

17 (b) License plates issued under this section must include  
18 the words "To Protect and Serve" above an insignia depicting a  
19 yellow rose superimposed over the outline of a badge.

20 (c) The fee for issuance of the license plates is \$20.

21 (d) In this section, "peace officer" has the meaning  
22 assigned by Section 1.07, Penal Code.

23 Sec. 504.512 [~~504.408~~]. GOLD STAR MOTHER, SPOUSE, OR  
24 FAMILY MEMBER. (a) The department shall issue a specialty license  
25 plate for the mother, surviving spouse, or immediate family member  
26 of a person who died while serving in the United States armed  
27 forces. License plates issued under this section must include the

1 words "Gold Star Mother," "Gold Star Spouse," or "Gold Star Family"  
2 and a gold star. A person may not be issued more than one set of the  
3 license plates at a time.

4 (a-1) In this section "immediate family member" means the  
5 parent, child, or sibling of a person who died while serving in the  
6 United States armed forces.

7 (b) The fee for issuance of the license plates is \$10.

8 SECTION 196. Section 504.409, Transportation Code, as  
9 effective September 1, 2011, and as amended by Chapters 1136 (H.B.  
10 2553) and 1381 (S.B. 1616), Acts of the 81st Legislature, Regular  
11 Session, 2009, is transferred to Subchapter F, Chapter 504,  
12 Transportation Code, redesignated as Section 504.513,  
13 Transportation Code, and reenacted and amended to read as follows:

14 Sec. 504.513 [~~504.409~~]. FIREFIGHTERS. (a) The department  
15 shall issue specialty license plates for:

- 16 (1) volunteer firefighters certified by:  
17 (A) the Texas Commission on Fire Protection; or  
18 (B) the State Firemen's and Fire Marshals'  
19 Association of Texas; and

20 (2) fire protection personnel as that term is defined  
21 by Section 419.021, Government Code.

22 (b) [~~(c)~~] A person may be issued not more than three sets of  
23 license plates.

24 SECTION 197. Sections 504.410 and 504.411, Transportation  
25 Code, are transferred to Subchapter F, Chapter 504, Transportation  
26 Code, redesignated as Sections 504.514 and 504.515, Transportation  
27 Code, and amended to read as follows:

1           Sec. 504.514 [~~504.410~~]. EMERGENCY MEDICAL SERVICES  
2 PERSONNEL. (a) The department shall issue specialty license  
3 plates for emergency medical services personnel certified by the  
4 [~~Texas~~] Department of State Health Services under Subchapter C,  
5 Chapter 773, Health and Safety Code.

6           (b) The fee for issuance of the license plates is \$8.

7           (c) A person may be issued only one set of the license  
8 plates.

9           Sec. 504.515 [~~504.411~~]. HONORARY CONSULS. (a) The  
10 department shall issue specialty license plates for a person who is  
11 an honorary consul authorized by the United States to perform  
12 consular duties. License plates issued under this section must  
13 include the words "Honorary Consul."

14           (b) The fee for issuance of the license plates is \$40.

15           SECTION 198. Subchapter F, Chapter 504, Transportation  
16 Code, is amended by adding Section 504.516 to read as follows:

17           Sec. 504.516. RENTAL TRAILER OR TRAVEL TRAILER FEE:  
18 TRAILER OR SEMITRAILER. (a) The department may issue specially  
19 designed license plates for rental trailers and travel trailers  
20 that include, as appropriate, the words "rental trailer" or "travel  
21 trailer."

22           (b) In this section:

23                   (1) "Rental fleet" means vehicles that are designated  
24 in the manner prescribed by the department as a rental fleet.

25                   (2) "Rental trailer" means a utility trailer.

26                   (3) "Travel trailer" has the meaning assigned by  
27 Section 501.002.

1 SECTION 199. Section 504.614(a), Transportation Code, is  
2 amended to read as follows:

3 (a) The department may issue specialty license plates that  
4 include the name and insignia of a professional sports team located  
5 in this state. The department shall design the license plates in  
6 consultation with the professional sports team and may enter a  
7 trademark license with the professional sports team or its league  
8 to implement this section. A license plate may be issued under this  
9 section only for a professional sports team that:

10 (1) certifies to the department that the requirements  
11 of Section 504.702 are met [~~it has determined that at least 3,500~~  
12 ~~persons will apply for the plates~~]; and

13 (2) plays its home games in a facility constructed or  
14 operated, in whole or in part, with public funds.

15 SECTION 200. Section 504.615, Transportation Code, is  
16 amended by amending Subsections (a) and (e) and adding Subsection  
17 (d-1) to read as follows:

18 (a) The department shall issue specialty license plates  
19 that include the name and insignia of a college. The department  
20 shall design the license plates in consultation with the applicable  
21 college. The department may issue a license plate under this  
22 section only for a college that certifies to the department that the  
23 requirements of Section 504.702 are met [~~it has determined that at~~  
24 ~~least 1,500 persons will apply for the plates~~].

25 (d-1) If the fee is for the issuance of license plates for a  
26 college described by Subsection (e)(3), the money:

27 (1) shall be deposited to the credit of the Texas



1 Higher Education Coordinating Board; and  
2 (2) is supplementary and is not income for purposes of  
3 reducing general revenue appropriations to that board.

4 (e) In this section, "college" means:

5 (1) an institution of higher education as defined by  
6 Section 61.003, Education Code; ~~[or]~~

7 (2) a private college or university described by  
8 Section 61.222, Education Code; or

9 (3) a college or university that is not located in this  
10 state.

11 SECTION 201. Section 504.616(a), Transportation Code, is  
12 amended to read as follows:

13 (a) The department shall issue specialty license plates  
14 including the words "Texas Reads" that ~~["Texas Reads." The~~  
15 ~~department shall design the license plates to]~~ incorporate one or  
16 more submissions from middle school students in a competition  
17 conducted by the department.

18 SECTION 202. The heading to Section 504.642, Transportation  
19 Code, is amended to read as follows:

20 Sec. 504.642. TEXAS COUNCIL OF ~~[COUNTY]~~ CHILD WELFARE  
21 BOARDS ~~[BOARD]~~ LICENSE PLATES.

22 SECTION 203. Section 504.642(a), Transportation Code, is  
23 amended to read as follows:

24 (a) The department shall issue Texas Council of ~~[County]~~  
25 Child Welfare Boards specialty license plates. The department  
26 shall design the license plates in consultation with the Texas  
27 Council of Child Welfare Boards, Inc.

1 SECTION 204. Section 504.647(a), Transportation Code, is  
2 amended to read as follows:

3 (a) The department shall issue Fight Terrorism specialty  
4 license plates that [~~the license plates shall~~] include a  
5 pentagon-shaped border surrounding:

6 (1) the date "9-11-01" with the likeness of the World  
7 Trade Center towers forming the "11";

8 (2) the likeness of the United States flag; and

9 (3) the words "Fight Terrorism."

10 SECTION 205. Section 504.413, Transportation Code, is  
11 transferred to Subchapter G, Chapter 504, Transportation Code, and  
12 redesignated as Section 504.659, Transportation Code, to read as  
13 follows:

14 Sec. 504.659 [~~504.413~~]. MEMBERS OF AMERICAN LEGION.

15 (a) The department shall issue specialty license plates for  
16 members of the American Legion. The license plates shall include  
17 the words "Still Serving America" and the emblem of the American  
18 Legion. The department shall design the license plates in  
19 consultation with the American Legion.

20 (b) The fee for the license plates is \$30.

21 (c) After deduction of \$8 to reimburse the department for  
22 its administrative costs, the remainder of the fee for issuance of  
23 the license plates shall be deposited to the credit of the American  
24 Legion, Department of Texas account in the state treasury. Money in  
25 the account may be used only by the Texas Veterans Commission in  
26 making grants to the American Legion Endowment Fund for  
27 scholarships and youth programs sponsored by the American Legion,

1 Department of Texas.

2 SECTION 206. Section 504.702, Transportation Code, is  
3 amended by amending Subsection (b) and adding Subsections (e) and  
4 (f) to read as follows:

5 (b) The department may manufacture the specialty license  
6 plates only if a request for manufacture of the license plates is  
7 filed with the department. The request must be:

8 (1) made in ~~on~~ a manner prescribed ~~[form adopted]~~ by  
9 the department;

10 (2) filed before the fifth anniversary of the  
11 effective date of the law that authorizes the issuance of the  
12 specialty license plates; and

13 (3) accompanied by~~+~~  
14 ~~[(A)]~~ a deposit of \$8,000~~[, or~~  
15 ~~[(B) applications for issuance of at least 1,900~~  
16 ~~sets of the license plates plus the fees for issuance of that number~~  
17 ~~of sets].~~

18 (e) The department may issue license plates under:

19 (1) Section 504.614 for a particular professional  
20 sports team only if \$8,000 has been deposited with the department  
21 for that sports team; or

22 (2) Section 504.615 for a particular institution of  
23 higher education or private college or university only if \$8,000  
24 has been deposited with the department for that institution,  
25 college, or university.

26 (f) Money deposited with the department under Subsection  
27 (b)(3) or (e) shall be returned by the department to the person who

1 made the deposit after 800 sets of plates have been issued.

2 SECTION 207. Sections 504.801(a) and (b), Transportation  
3 Code, as effective September 1, 2011, are amended to read as  
4 follows:

5 (a) The department may create new specialty license plates  
6 on its own initiative or on receipt of an application from a  
7 potential sponsor. A new specialty license plate created under  
8 this section must comply with each requirement of Section 504.702  
9 unless the license is created by the department on its own  
10 initiative. The department may permit a specialty license plate  
11 created under this section to be personalized. The redesign of an  
12 existing specialty license plate at the request of a sponsor shall  
13 be treated like the issuance of a new specialty license plate[~~7~~  
14 ~~except that the department may require a nonrefundable design fee].~~

15 (b) Any nonprofit entity [~~person~~] may submit an application  
16 to the department to sponsor a new specialty license plate [~~by~~  
17 ~~submitting an application to the department~~]. An application may  
18 nominate a state agency to receive funds derived from the issuance  
19 of the license plates. The application may also identify uses to  
20 which those funds should be appropriated.

21 SECTION 208. Section 504.851, Transportation Code, is  
22 amended by adding Subsection (m) to read as follows:

23 (m) If the vendor ceases operation:

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

27 (2) the vendor's share of the revenue shall be

1 deposited to the credit of the general revenue fund.

2 SECTION 209. Section 504.853(d), Transportation Code, is  
3 amended to read as follows:

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

9 SECTION 210. Chapter 504, Transportation Code, is amended  
10 by adding Subchapter K to read as follows:

11 SUBCHAPTER K. TRANSFER AND REMOVAL OF LICENSE PLATES

12 Sec. 504.901. TRANSFER AND REMOVAL OF LICENSE PLATES. (a)  
13 On the sale or transfer of a motor vehicle to a dealer who holds a  
14 general distinguishing number issued under Chapter 503, the dealer  
15 shall remove each license plate issued for the motor vehicle. A  
16 person may use the license plates removed from a motor vehicle on a  
17 new motor vehicle purchased from a dealer after the person obtains  
18 the department's approval of a title and registration application.

19 (b) On the sale or transfer of a motor vehicle to a person  
20 who does not hold a general distinguishing number issued under  
21 Chapter 503, the seller may remove each license plate issued for the  
22 motor vehicle. The license plates may be transferred to another  
23 vehicle titled in the seller's name if the seller obtains:

24 (1) the department's approval of an application to  
25 transfer the license plates; and

26 (2) a new registration insignia for the motor vehicle.

27 (c) A license plate removed from a motor vehicle that is not

1 transferred to another motor vehicle must be disposed of in a manner  
2 specified by the department.

3 (d) To be eligible for transfer, license plates must be  
4 appropriate for the class of vehicle to which the plates are being  
5 transferred.

6 SECTION 211. Chapter 504, Transportation Code, is amended  
7 by adding Subchapter L to read as follows:

8 SUBCHAPTER L. OFFENSES AND PENALTIES

9 Sec. 504.941. ANTIQUE VEHICLES; OFFENSE. (a) A person who  
10 violates Section 504.502 commits an offense. An offense under this  
11 section is a misdemeanor punishable by a fine of not less than \$5 or  
12 more than \$200.

13 (b) It is an affirmative defense to prosecution under this  
14 section that at the time of the offense the vehicle was en route to  
15 or from a location for the purpose of routine maintenance of the  
16 vehicle.

17 Sec. 504.942. LOG LOADER VEHICLES; PENALTIES. A vehicle  
18 operated in violation of Section 504.506 is considered to be  
19 operated or moved while unregistered and is immediately subject to  
20 the applicable fees and penalties prescribed by this chapter.

21 Sec. 504.943. OPERATION OF VEHICLE WITHOUT LICENSE PLATE.

22 (a) Except as provided by Subsection (b), a person commits an  
23 offense if the person operates on a public highway, during a  
24 registration period, a motor vehicle that does not display two  
25 license plates that:

26 (1) have been assigned by the department for the  
27 period; and

1           (2) comply with department rules regarding the  
2 placement of license plates.

3           (b) A person commits an offense if the person operates on a  
4 public highway during a registration period a road tractor,  
5 motorcycle, trailer, or semitrailer that does not display a license  
6 plate that:

7           (1) has been assigned by the department for the  
8 period; and

9           (2) complies with department rules regarding the  
10 placement of license plates.

11           (c) This section does not apply to a dealer operating a  
12 vehicle as provided by law.

13           (d) A court may dismiss a charge brought under Subsection  
14 (a)(1) if the defendant:

15           (1) remedies the defect before the defendant's first  
16 court appearance; and

17           (2) pays an administrative fee not to exceed \$10.

18           SECTION 212. Section 502.408, Transportation Code, is  
19 transferred to Subchapter L, Chapter 504, Transportation Code, as  
20 added by this Act, redesignated as Section 504.944, Transportation  
21 Code, and amended to read as follows:

22           Sec. 504.944 [~~502.408~~]. OPERATION OF VEHICLE WITH WRONG  
23 LICENSE PLATE. [~~(a)~~] A person commits an offense if the person  
24 operates, or as the owner permits another to operate, on a public  
25 highway a motor vehicle that has attached to it a number plate or  
26 registration insignia issued for a different vehicle. An offense  
27 under this section [~~subsection~~] is a misdemeanor punishable by a

1 fine not to exceed \$200.

2 SECTION 213. Subchapter L, Chapter 504, Transportation  
3 Code, as added by this Act, is amended by adding Section 504.945 to  
4 read as follows:

5 Sec. 504.945. WRONG, FICTITIOUS, ALTERED, OR OBSCURED  
6 LICENSE PLATE. (a) A person commits an offense if the person  
7 attaches to or displays on a motor vehicle a license plate that:

8 (1) is issued for a different motor vehicle;

9 (2) is issued for the vehicle under any other motor  
10 vehicle law other than by the department;

11 (3) is assigned for a registration period other than  
12 the registration period in effect;

13 (4) is fictitious;

14 (5) has blurring or reflective matter that  
15 significantly impairs the readability of the name of the state in  
16 which the vehicle is registered or the letters or numbers of the  
17 license plate number at any time;

18 (6) has an attached illuminated device or sticker,  
19 decal, emblem, or other insignia that is not authorized by law and  
20 that interferes with the readability of the letters or numbers of  
21 the license plate number or the name of the state in which the  
22 vehicle is registered; or

23 (7) has a coating, covering, protective substance, or  
24 other material that:

25 (A) distorts angular visibility or  
26 detectability;

27 (B) alters or obscures one-half or more of the



1 name of the state in which the vehicle is registered; or

2 (C) alters or obscures the letters or numbers of  
3 the license plate number or the color of the plate.

4 (b) Except as provided by Subsection (e), an offense under  
5 Subsection (a) is a misdemeanor punishable by a fine of not more  
6 than \$200, unless it is shown at the trial of the offense that the  
7 owner knowingly altered or made illegible the letters, numbers, and  
8 other identification marks, in which case the offense is a Class B  
9 misdemeanor.

10 (c) Subsection (a)(7) may not be construed to apply to:

11 (1) a trailer hitch installed on a vehicle in a normal  
12 or customary manner;

13 (2) a transponder, as defined by Section 228.057, that  
14 is attached to a vehicle in the manner required by the issuing  
15 authority;

16 (3) a wheelchair lift or wheelchair carrier that is  
17 attached to a vehicle in a normal or customary manner;

18 (4) a trailer being towed by a vehicle; or

19 (5) a bicycle or motorcycle rack that is attached to a  
20 vehicle in a normal or customary manner.

21 (d) A court may dismiss a charge brought under Subsection  
22 (a)(3), (5), (6), or (7) if the defendant:

23 (1) remedies the defect before the defendant's first  
24 court appearance; and

25 (2) pays an administrative fee not to exceed \$10.

26 (e) An offense under Subsection (a)(4) is a Class B  
27 misdemeanor.

1 SECTION 214. Subchapter A, Chapter 520, Transportation  
2 Code, is amended by adding Sections 520.003 and 520.004 to read as  
3 follows:

4 Sec. 520.003. RULES; WAIVER OF FEES. The department may  
5 adopt rules to administer this chapter, including rules that waive  
6 the payment of fees if a dealer has gone out of business and the  
7 applicant can show that fees were paid to the dealer.

8 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department  
9 has jurisdiction over the registration and titling of, and the  
10 issuance of license plates to, motor vehicles in compliance with  
11 the applicable statutes. The board by rule:

12 (1) shall provide services that are reasonable,  
13 adequate, and efficient;

14 (2) shall establish standards for uniformity and  
15 service quality for counties and dealers licensed under Section  
16 520.005; and

17 (3) may conduct public service education campaigns  
18 related to the department's functions.

19 SECTION 215. Section 501.137, Transportation Code, is  
20 transferred to Subchapter A, Chapter 520, Transportation Code,  
21 redesignated as Section 520.005, Transportation Code, and amended  
22 to read as follows:

23 Sec. 520.005 [~~501.137~~]. DUTY AND RESPONSIBILITIES OF  
24 COUNTY ASSESSOR-COLLECTOR. (a) Each county assessor-collector  
25 shall comply with Chapter 501 [~~this chapter~~].

26 (b) An assessor-collector who fails or refuses to comply  
27 with Chapter 501 [~~this chapter~~] is liable on the

1 assessor-collector's official bond for resulting damages suffered  
2 by any person.

3 (c) Notwithstanding the requirements of Sections 520.008  
4 and 520.0091, the assessor-collector may license franchised and  
5 non-franchised motor vehicle dealers to title and register motor  
6 vehicles in accordance with rules adopted under Section 520.004.  
7 The county assessor-collector may pay a fee to a motor vehicle  
8 dealer independent of or as part of the portion of the fees that  
9 would be collected by the county for each title and registration  
10 receipt issued.

11 SECTION 216. Section 502.109, Transportation Code, is  
12 transferred to Subchapter A, Chapter 520, Transportation Code,  
13 redesignated as Section 520.006, Transportation Code, and amended  
14 to read as follows:

15 Sec. 520.006 [~~502.109~~]. COMPENSATION OF ASSESSOR-COLLECTOR.

16 (a) A county assessor-collector shall receive a fee of \$1.90 for  
17 each receipt issued under Chapter 502 [~~this chapter. If the~~  
18 ~~assessor-collector may be compensated by fees, a fee received is~~  
19 ~~compensation for services under this chapter. The~~  
20 ~~assessor-collector shall deduct the fee weekly from the gross~~  
21 ~~collections made under this chapter]~~.

22 (a-1) A county collecting fees on behalf of a county that  
23 has been declared as a disaster area for purposes of Section 501.023  
24 or 502.040 may retain the commission for fees collected, but shall  
25 allocate the fees to the county declared as a disaster area.

26 (b) A county assessor-collector who is compensated under  
27 this section shall pay the entire expense of issuing registration

1 receipts and license plates under Chapter 501 or 502 [~~this chapter~~]  
2 from the compensation allowed under this section.

3 SECTION 217. Section 502.111, Transportation Code, is  
4 transferred to Subchapter A, Chapter 520, Transportation Code,  
5 redesignated as Section 520.007, Transportation Code, and amended  
6 to read as follows:

7 Sec. 520.007 [~~502.111~~]. COUNTY BRANCH OFFICES. (a) The  
8 commissioners court of a county may authorize the county  
9 assessor-collector to:

10 (1) establish a suboffice or branch office for vehicle  
11 registration at one or more locations in the county other than the  
12 county courthouse; or

13 (2) appoint a deputy to register vehicles in the same  
14 manner and with the same authority as though done in the office of  
15 the assessor-collector.

16 (b) The report of vehicles registered through a suboffice or  
17 branch office shall be made through the office of the county  
18 assessor-collector.

19 SECTION 218. Section 502.114, Transportation Code, is  
20 transferred to Subchapter A, Chapter 520, Transportation Code,  
21 redesignated as Section 520.008, Transportation Code, and amended  
22 to read as follows:

23 Sec. 520.008 [~~502.114~~]. FULL-SERVICE DEPUTIES. (a) A  
24 full-service deputy appointed under Section 520.0091 [~~502.112~~]  
25 shall accept any application for registration, registration  
26 renewal, or title transfer that the county assessor-collector may  
27 accept.

1 (b) A full-service deputy may charge and retain an  
2 additional motor vehicle registration fee not to exceed \$5 for each  
3 motor vehicle registration issued.

4 (c) A county assessor-collector may delegate to a  
5 full-service deputy, in the manner selected by the  
6 assessor-collector, the authority to use data processing equipment  
7 and software provided by the department for use in the titling and  
8 registration of motor vehicles. The department may not limit a  
9 county assessor-collector's ability to delegate the  
10 assessor-collector's functions regarding the titling and  
11 registration of motor vehicles to a qualified full-service deputy  
12 in the manner the assessor-collector considers appropriate.

13 SECTION 219. Section 502.113, Transportation Code, is  
14 transferred to Subchapter A, Chapter 520, Transportation Code,  
15 redesignated as Section 520.009, Transportation Code, and amended  
16 to read as follows:

17 Sec. 520.009 [~~502.113~~]. LIMITED-SERVICE DEPUTIES. (a) A  
18 limited-service deputy appointed under Section 520.0091 [~~502.112~~]  
19 may only accept registration renewals [~~renewal cards~~] provided by  
20 the department and may not prepare or accept an application for  
21 title transfer.

22 (b) The county assessor-collector may pay a limited-service  
23 deputy an amount not to exceed the fee the assessor-collector could  
24 collect under Section 520.006(a) [~~502.109(a)~~] for each  
25 registration receipt issued. The commissioners court of the county  
26 may permit a limited-service deputy to charge and retain an  
27 additional fee not to exceed \$1 for each registration receipt

1 issued by the deputy.

2 SECTION 220. Section 502.112, Transportation Code, is  
3 transferred to Subchapter A, Chapter 520, Transportation Code, and  
4 redesignated as Section 520.0091, Transportation Code, to read as  
5 follows:

6 Sec. 520.0091 [~~502.112~~]. DEPUTY ASSESSOR-COLLECTORS.

7 (a) A county assessor-collector, with the approval of the  
8 commissioners court of the county, may deputize an individual or  
9 business entity to:

10 (1) issue motor vehicle registration receipts as a  
11 limited-service deputy; or

12 (2) issue motor vehicle registration receipts and  
13 prepare or accept applications for title transfers as a  
14 full-service deputy.

15 (b) An individual or business entity is eligible to be  
16 deputized as a limited-service deputy if the person:

17 (1) is trained to issue registration receipts by the  
18 county assessor-collector; and

19 (2) posts a bond payable to the county  
20 assessor-collector:

21 (A) in an amount determined by the  
22 assessor-collector; and

23 (B) conditioned on the person's proper  
24 accounting and remittance of all fees the person collects.

25 (c) An individual or business entity is eligible to be  
26 deputized as a full-service deputy if the person:

27 (1) meets the requirements of Subsection (b); and

1           (2) has experience in title transfers.

2           (d) A person deputized under this section shall keep a  
3 separate account of the fees collected and a record of daily  
4 receipts.

5           SECTION 221. Section 501.136, Transportation Code, is  
6 transferred to Subchapter A, Chapter 520, Transportation Code,  
7 redesignated as Section 520.0092, Transportation Code, and amended  
8 to read as follows:

9           Sec. 520.0092 [~~501.136~~]. ACTS BY DEPUTY COUNTY  
10 ASSESSOR-COLLECTOR. A deputy county assessor-collector, other  
11 than a limited service deputy appointed under Section 520.0091  
12 [~~502.112~~], may perform the duties of an assessor-collector under  
13 Chapter 501 [~~this chapter~~].

14           SECTION 222. Section 520.002, Transportation Code, is  
15 redesignated as Section 520.0093, Transportation Code, and amended  
16 to read as follows:

17           Sec. 520.0093 [~~520.002~~]. LEASE OF ADDITIONAL COMPUTER  
18 EQUIPMENT. (a) This section applies only to the lease of equipment  
19 to a county for the operation of the automated registration and  
20 titling [~~title~~] system in addition to the equipment provided by the  
21 department at no cost to the county under a formula prescribed by  
22 the department.

23           (b) On the request of the tax assessor-collector of a  
24 county, the department may enter into an agreement with the  
25 commissioners court of that county under which the department  
26 leases additional equipment to the county for the use of the tax  
27 assessor-collector in operating the automated registration and

1 titling [~~title~~] system in that county.

2 (c) A county may install equipment leased under this section  
3 at offices of the county or of an agent of the county.

4 (d) Equipment leased under this section:

5 (1) remains the property of the department; and

6 (2) must be used primarily for the automated  
7 registration and titling [~~title~~] system.

8 (e) Under the agreement, the department shall charge [~~the~~  
9 ~~county~~] an amount not less than the amount of the cost to the  
10 department to provide the additional equipment and any related  
11 services under the lease. All money collected under the lease shall  
12 be deposited to the credit of the state highway fund.

13 SECTION 223. The heading to Subchapter B, Chapter 520,  
14 Transportation Code, is amended to read as follows:

15 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS [~~MOTOR NUMBER RECORD~~  
16 ~~REQUIREMENTS~~]

17 SECTION 224. Subchapter B, Chapter 520, Transportation  
18 Code, is amended by adding Section 520.015 to read as follows:

19 Sec. 520.015. INFORMATION CONSOLIDATION STUDY. (a) In  
20 consultation with the Department of Public Safety, the department  
21 shall conduct a study on the consolidation of similar information  
22 that is collected separately by each agency. The study should  
23 include recommendations that sufficiently protect the privacy of  
24 the public and the security and integrity of information provided.

25 (b) The study must be completed not later than September 1,  
26 2012.

27 SECTION 225. Section 520.036, Transportation Code, is



1 transferred to Subchapter B, Chapter 520, Transportation Code,  
2 redesignated as Section 520.016, Transportation Code, and amended  
3 to read as follows:

4 Sec. 520.016 [~~520.036~~]. GENERAL PENALTY. (a) A person  
5 commits an offense if the person violates this subchapter in a  
6 manner for which a specific penalty is not provided.

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

9 (c) This section does not apply to a violation of Section  
10 520.006, 520.008, 520.009, 520.0091, or 520.0092.

11 SECTION 226. Section 520.051(5), Transportation Code, is  
12 amended to read as follows:

13 (5) "Title service record" means the written or  
14 electronic record for each transaction in which a motor vehicle  
15 title service receives compensation.

16 SECTION 227. Section 548.052, Transportation Code, is  
17 amended to read as follows:

18 Sec. 548.052. VEHICLES NOT SUBJECT TO INSPECTION. This  
19 chapter does not apply to:

20 (1) a trailer, semitrailer, pole trailer, or mobile  
21 home moving under or bearing a current factory-delivery license  
22 plate or current in-transit license plate;

23 (2) a vehicle moving under or bearing a paper dealer  
24 in-transit tag, machinery license, disaster license, parade  
25 license, prorated tab, one-trip permit, vehicle temporary transit  
26 permit, antique license, temporary 24-hour permit, or permit  
27 license;

1           (3) a trailer, semitrailer, pole trailer, or mobile  
2 home having an actual gross weight or registered gross weight of  
3 4,500 pounds or less;

4           (4) farm machinery, road-building equipment, a farm  
5 trailer, or a vehicle required to display a slow-moving-vehicle  
6 emblem under Section 547.703;

7           (5) a former military vehicle, as defined by Section  
8 504.502 [~~502.275~~];

9           (6) a vehicle qualified for a tax exemption under  
10 Section 152.092, Tax Code; or

11           (7) a vehicle for which a certificate of title has been  
12 issued but that is not required to be registered.

13           SECTION 228. Section 681.012(a-1), Transportation Code, is  
14 amended to read as follows:

15           (a-1) A peace officer may seize a disabled parking placard  
16 from a person who operates a vehicle on which a disabled parking  
17 placard is displayed if the peace officer determines by inspecting  
18 the person's driver's license or personal identification  
19 certificate that the disabled parking placard does not contain the  
20 first four digits of the driver's license number or personal  
21 identification certificate number and the initials of:

22           (1) the person operating the vehicle; [~~or~~]

23           (2) the applicant on behalf of a person being  
24 transported by the vehicle; or

25           (3) a person being transported by the vehicle.

26           SECTION 229. Section 386.251(c), Health and Safety Code, is  
27 amended to read as follows:

1 (c) The fund consists of:

2 (1) the amount of money deposited to the credit of the  
3 fund under:

4 (A) Section 386.056;

5 (B) Sections 151.0515 and 152.0215, Tax Code; and

6 (C) Sections 501.138, 502.358 [~~502.1675~~], and  
7 548.5055, Transportation Code; and

8 (2) grant money recaptured under Section 386.111(d)  
9 and Chapter 391.

10 SECTION 230. Section 2302.204, Occupations Code, is amended  
11 to read as follows:

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

17 (1) the board shall adopt rules as necessary to  
18 regulate casual sales by salvage vehicle dealers, insurance  
19 companies, or salvage pool operators and to enforce this section;  
20 and

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

25 SECTION 231. The following provisions of the Transportation  
26 Code are repealed:

27 (1) Sections 501.026 and 501.075;

- 1 (2) Sections 501.094 and 501.133;
- 2 (3) Sections 501.134(e), (f), and (i);
- 3 (4) Sections 502.0074, 502.0075, 502.008, 502.104,
- 4 502.105, 502.1535, 502.154, 502.175, 502.177, 502.206, 502.271,
- 5 502.2862, and 502.2971;
- 6 (5) Sections 502.403 and 502.405;
- 7 (6) Section 502.407(c);
- 8 (7) Section 502.412(c);
- 9 (8) Sections 502.452, 502.453, 502.455, and 502.456;
- 10 (9) Section 504.201(h);
- 11 (10) Section 504.316(b);
- 12 (11) Section 504.401(b);
- 13 (12) Section 504.402(b);
- 14 (13) Section 504.403(b);
- 15 (14) Section 504.404(b);
- 16 (15) Section 504.405(b);
- 17 (16) Section 504.502(j);
- 18 (17) Section 504.506(f);
- 19 (18) Section 504.507(c);
- 20 (19) Section 504.508(d);
- 21 (20) Sections 504.624, 504.629, 504.634, 504.643,
- 22 504.649, 504.650, 504.653, 504.655, and 504.701;
- 23 (21) Section 504.702(c);
- 24 (22) Sections 520.013 and 520.034;
- 25 (23) the headings to Subchapters C and D, Chapter 520;
- 26 and
- 27 (24) Section 681.005(2).

1           SECTION 232. (a) The change in law made by this Act applies  
2 only to an offense committed on or after January 1, 2012.

3           (b) An offense committed before January 1, 2012, is covered  
4 by the law in effect when the offense was committed, and the former  
5 law is continued in effect for that purpose. For purposes of this  
6 subsection, an offense was committed before January 1, 2012, if any  
7 element of the offense was committed before that date.

8           SECTION 233. To the extent of any conflict, this Act  
9 prevails over another Act of the 82nd Legislature, Regular Session,  
10 2011, relating to nonsubstantive additions to and corrections in  
11 enacted codes.

12           SECTION 234. This Act takes effect January 1, 2012.