

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

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A BILL TO BE ENTITLED

1 AN ACT

2 relating to the organization, governance, duties, and functions of  
3 the Texas Department of Motor Vehicles.

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

5 SECTION 1. Section 2301.002, Occupations Code, is amended  
6 by adding Subdivisions (1-a) and (14-a) and amending Subdivisions  
7 (11), (16), (23), and (32) to read as follows:

8 (1-a) "Ambulance manufacturer" means a person other  
9 than the manufacturer of a motor vehicle chassis who, before the  
10 retail sale of the motor vehicle, performs modifications on the  
11 chassis that result in the finished product being classified as an  
12 ambulance.

13 (11) "Distributor" means a person, other than a  
14 manufacturer, who:

15 (A) distributes or sells new motor vehicles to a  
16 franchised dealer; or

17 (B) enters into franchise agreements with  
18 franchised dealers, on behalf of the manufacturer.

19 (14-a) "Fire-fighting vehicle manufacturer" means a  
20 person other than the manufacturer of a motor vehicle chassis who,  
21 before the retail sale of the motor vehicle, performs modifications  
22 on the chassis that result in the finished product being classified  
23 as a fire-fighting vehicle.

24 (16) "Franchised dealer" means a person who:

1 (A) holds a franchised motor vehicle dealer's  
2 license issued by the board under this chapter and Chapter 503,  
3 Transportation Code; and

4 (B) is engaged in the business of buying,  
5 selling, or exchanging new motor vehicles and servicing or  
6 repairing motor vehicles under a manufacturer's warranty at an  
7 established and permanent place of business under a franchise in  
8 effect with a manufacturer or distributor.

9 (23) "Motor vehicle" means:

10 (A) a fully self-propelled vehicle having two or  
11 more wheels that has as its primary purpose the transport of a  
12 person or persons, or property, on a public highway;

13 (B) a fully self-propelled vehicle having two or  
14 more wheels that:

15 (i) has as its primary purpose the  
16 transport of a person or persons or property;

17 (ii) is not manufactured for use on public  
18 streets, roads, or highways; and

19 (iii) meets the requirements for ~~[has been~~  
20 ~~issued]~~ a certificate of title;

21 (C) an engine, transmission, or rear axle,  
22 regardless of whether attached to a vehicle chassis, manufactured  
23 for installation in a vehicle that has:

24 (i) the transport of a person or persons, or  
25 property, on a public highway as its primary purpose; and

26 (ii) a gross vehicle weight rating of more  
27 than 16,000 pounds; or

1 (D) a towable recreational vehicle.

2 (32) "Towable recreational vehicle" means a  
3 nonmotorized vehicle that:

4 (A) was originally designed and manufactured  
5 primarily to provide temporary human habitation in conjunction with  
6 recreational, camping, or seasonal use;

7 (B) meets the requirements to be issued a  
8 certificate of title and registration by [~~is titled and registered~~  
9 ~~with~~] the department as a travel trailer through a county tax  
10 assessor-collector;

11 (C) is permanently built on a single chassis;

12 (D) contains at least one life support system;

13 and

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

15 SECTION 2. Section 2301.153(a), Occupations Code, is  
16 amended to read as follows:

17 (a) Notwithstanding any other provision of law, the board  
18 has all powers necessary, incidental, or convenient to perform a  
19 power or duty expressly granted under this chapter, including the  
20 power to:

21 (1) initiate and conduct proceedings, investigations,  
22 or hearings;

23 (2) administer oaths;

24 (3) receive evidence and pleadings;

25 (4) issue subpoenas to compel the attendance of any  
26 person;

27 (5) order the production of any tangible property,

1 including papers, records, or other documents;

2 (6) make findings of fact on all factual issues  
3 arising out of a proceeding initiated under this chapter;

4 (7) specify and govern appearance, practice, and  
5 procedures before the board;

6 (8) adopt rules and issue conclusions of law and  
7 decisions, including declaratory decisions or orders;

8 (9) enter into contracts;

9 (10) execute instruments;

10 (11) retain counsel;

11 (12) use the services of the attorney general and  
12 institute and direct the conduct of legal proceedings in any forum;

13 (13) obtain other professional services as necessary  
14 and convenient;

15 (14) impose a sanction for contempt;

16 (15) assess and collect fees and costs, including  
17 attorney's fees;

18 (16) issue, suspend, or revoke licenses;

19 (17) prohibit and regulate acts and practices in  
20 connection with the distribution and sale of motor vehicles or  
21 warranty performance obligations;

22 (18) issue cease and desist orders in the nature of  
23 temporary or permanent injunctions;

24 (19) impose a civil penalty;

25 (20) enter an order requiring a person to:

26 (A) repurchase property under Section 2301.465  
27 and pay costs and expenses of a party in connection with an order

1 entered under that section [~~Section 2301.465~~];

2 (B) perform an act other than the payment of  
3 money; or

4 (C) refrain from performing an act; and

5 (21) enforce a board order.

6 SECTION 3. Section 2301.154, Occupations Code, is amended  
7 to read as follows:

8 Sec. 2301.154. DELEGATION OF POWERS. (a) The director may  
9 delegate any of the director's powers to one or more of the  
10 division's employees.

11 (b) The board by rule may delegate any power relating to a  
12 contested case hearing, other than the power to issue a final order,  
13 to:

14 (1) one or more of the board's members;

15 (2) the executive director;

16 (3) the director; or

17 (4) one or more of the department's employees.

18 (c) The board by rule may delegate the authority to issue a  
19 final order in a contested case hearing to:

20 (1) one or more of the board's members;

21 (2) the executive director; or

22 (3) the director of a division within the department  
23 designated by the board or the executive director to carry out the  
24 requirements of this chapter.

25 (d) The board by rule may delegate any power relating to a  
26 complaint investigation to any person employed by the department.

27 SECTION 4. Section 2301.252(b), Occupations Code, is

1 amended to read as follows:

2 (b) For purposes of this section:

3 (1) the make of a conversion[~~, ambulance, or~~  
4 ~~fire-fighting vehicle~~] is that of the chassis manufacturer; [~~and~~]

5 (2) the make of a motor home is that of the motor home  
6 manufacturer;

7 (3) the make of an ambulance is that of the ambulance  
8 manufacturer; and

9 (4) the make of a fire-fighting vehicle is that of the  
10 fire-fighting vehicle manufacturer.

11 SECTION 5. Sections 2301.257(a), (b), and (c), Occupations  
12 Code, are amended to read as follows:

13 (a) An application for a dealer's license must be on a form  
14 prescribed by the department [~~board~~]. The application must  
15 include:

16 (1) the information required by Chapter 503,  
17 Transportation Code; and

18 (2) information relating to the applicant's financial  
19 resources, business integrity, business ability and experience,  
20 franchise if applicable, physical facilities, vehicle inventory,  
21 and other factors the department [~~board~~] considers necessary to  
22 determine the applicant's qualifications to adequately serve the  
23 public.

24 (b) If a material change occurs in the information included  
25 in an application for a dealer's license, the dealer shall notify  
26 the department [~~director~~] of the change within a reasonable  
27 time. The department [~~director~~] shall prescribe a form for the

1 disclosure of the change.

2 (c) A franchised dealer must apply for a separate license  
3 under this section for each separate and distinct dealership  
4 showroom as determined by the department [~~board~~]. Before changing  
5 a location, a dealer must obtain a new license for that location.

6 SECTION 6. Section 2301.258, Occupations Code, is amended  
7 to read as follows:

8 Sec. 2301.258. GENERAL REQUIREMENTS FOR APPLICATION FOR  
9 MANUFACTURER'S, DISTRIBUTOR'S, CONVERTER'S, OR REPRESENTATIVE'S  
10 LICENSE. An application for a manufacturer's, distributor's,  
11 converter's, or representative's license must be on a form  
12 prescribed by the department [~~board~~]. The application must include  
13 information the department [~~board~~] determines necessary to fully  
14 determine the qualifications of an applicant, including financial  
15 resources, business integrity and experience, facilities and  
16 personnel for serving franchised dealers, and other information the  
17 department [~~board~~] determines pertinent to safeguard the public  
18 interest and welfare.

19 SECTION 7. Section 2301.261(a), Occupations Code, is  
20 amended to read as follows:

21 (a) An application for a vehicle lessor's license must:  
22 (1) be on a form prescribed by the department [~~board~~];  
23 (2) contain evidence of compliance with Chapter 503,  
24 Transportation Code, if applicable; and  
25 (3) state other information required by the department  
26 [~~board~~].

27 SECTION 8. Section 2301.262(a), Occupations Code, is

1 amended to read as follows:

2 (a) An application for a vehicle lease facilitator license  
3 must be on a form prescribed by the department [~~board~~] and contain  
4 the information required by the department [~~board~~].

5 SECTION 9. Sections 2301.264(c) and (d), Occupations Code,  
6 are amended to read as follows:

7 (c) The department [~~board~~] may prorate the fee for a  
8 representative's license to allow the representative's license and  
9 the license of the manufacturer or distributor who employs the  
10 representative to expire on the same day.

11 (d) The department [~~board~~] may refund from funds  
12 appropriated to the department [~~board~~] for that purpose a fee  
13 collected under this chapter that is not due or that exceeds the  
14 amount due.

15 SECTION 10. Sections 2301.301(a), (b), (c), and (e),  
16 Occupations Code, are amended to read as follows:

17 (a) Licenses issued under this chapter are valid for the  
18 period prescribed by the board [~~commission~~].

19 (b) The department [~~director~~] may issue a license for a term  
20 of less than the period prescribed under Subsection (a) to  
21 coordinate the expiration dates of licenses held by a person that is  
22 required to obtain more than one license to perform activities  
23 under this chapter.

24 (c) The board [~~commission~~] by rule may implement a system  
25 under which licenses expire on various dates during the year. For  
26 a year in which a license expiration date is changed [~~If a license~~  
27 ~~is issued or renewed for a term that is less than the period set~~



1 ~~under Subsection (a)]~~, the fee for the license shall be prorated so  
2 that the license holder pays only that portion of the fee that is  
3 allocable to the number of months during which the license is  
4 valid. On renewal of the license on the new expiration date, the  
5 entire license renewal fee is payable.

6 (e) If the department [~~commission~~] prescribes the term of a  
7 license under this chapter for a period other than one year, the  
8 department [~~commission~~] shall prorate the applicable annual fee  
9 required under this chapter as necessary to reflect the term of the  
10 license.

11 SECTION 11. Section 2301.302, Occupations Code, is amended  
12 to read as follows:

13 Sec. 2301.302. NOTICE OF LICENSE EXPIRATION. The  
14 department [~~board~~] shall notify each person licensed under this  
15 chapter of the date of license expiration and the amount of the fee  
16 required for license renewal. The notice shall be sent [~~mailed~~] at  
17 least 30 days before the date of license expiration.

18 SECTION 12. Section 2301.351, Occupations Code, is amended  
19 to read as follows:

20 Sec. 2301.351. GENERAL PROHIBITION. A dealer may not:

- 21 (1) violate a board rule;
- 22 (2) aid or abet a person who violates this chapter,  
23 Chapter 503, Transportation Code, or a rule adopted under those  
24 chapters; or

25 (3) use false, deceptive, or misleading advertising  
26 relating to the sale or lease of motor vehicles.

27 SECTION 13. Sections 2301.358(a) and (c), Occupations Code,

1 are amended to read as follows:

2 (a) A person who holds a license issued under this chapter  
3 may not participate in a new motor vehicle show or exhibition  
4 unless:

5 (1) the person provides the department [~~board~~] with  
6 written notice at least 30 days before the date the show or  
7 exhibition opens; and

8 (2) the department [~~board~~] grants written approval.

9 (c) This section does not prohibit the sale of a towable  
10 recreational vehicle, motor home, ambulance, fire-fighting  
11 vehicle, or tow truck at a show or exhibition if:

12 (1) the show or exhibition is approved by the  
13 department [~~board~~]; and

14 (2) the sale is not otherwise prohibited by law.

15 SECTION 14. Section 2301.401(a), Occupations Code, is  
16 amended to read as follows:

17 (a) A manufacturer or distributor shall file with the  
18 department [~~board~~] a copy of the current requirements the  
19 manufacturer or distributor imposes on its dealers with respect to  
20 the dealer's:

21 (1) duties under the manufacturer's or distributor's  
22 warranty; and

23 (2) vehicle preparation and delivery obligations.

24 SECTION 15. Section 2301.454(a), Occupations Code, is  
25 amended to read as follows:

26 (a) Notwithstanding the terms of any franchise, a  
27 manufacturer, distributor, or representative may not modify or

1 replace a franchise if the modification or replacement would  
2 adversely affect to a substantial degree the dealer's sales,  
3 investment, or obligations to provide service to the public,  
4 unless:

5 (1) the manufacturer, distributor, or representative  
6 provides written notice by registered or certified mail to each  
7 affected dealer and the department [~~board~~] of the modification or  
8 replacement; and

9 (2) if a protest is filed under this section, the board  
10 approves the modification or replacement.

11 SECTION 16. Section 2301.476(c), Occupations Code, is  
12 amended to read as follows:

13 (c) Except as provided by this section, a manufacturer or  
14 distributor may not directly or indirectly:

15 (1) own an interest in a franchised or nonfranchised  
16 dealer or dealership;

17 (2) operate or control a franchised or nonfranchised  
18 dealer or dealership; or

19 (3) act in the capacity of a franchised or  
20 nonfranchised dealer.

21 SECTION 17. Section 2301.601(2), Occupations Code, is  
22 amended to read as follows:

23 (2) "Owner" means a person who is entitled to enforce a  
24 manufacturer's warranty with respect to a motor vehicle, and who:

25 (A) purchased the [~~a~~] motor vehicle at retail  
26 from a license holder [~~and is entitled to enforce a manufacturer's~~  
27 ~~warranty with respect to the vehicle~~];

1 (B) is a lessor or lessee, other than a  
2 sublessee, who purchased or leased the vehicle from a license  
3 holder; ~~or~~

4 (C) is a resident of this state and has  
5 registered the vehicle in this state;

6 (D) purchased or leased the vehicle at retail and  
7 is an active duty member of the United States armed forces stationed  
8 in this state at the time a proceeding is commenced under this  
9 subchapter; or

10 (E) is:

11 (i) the transferee or assignee of a person  
12 described by Paragraphs (A)-(D); ~~[Paragraph (A) or (B),]~~

13 (ii) a resident of this state; ~~and~~

14 (iii) the person who registered the vehicle  
15 in this state ~~[entitled to enforce the manufacturer's warranty].~~

16 SECTION 18. Sections 2301.611(a) and (c), Occupations Code,  
17 are amended to read as follows:

18 (a) The department ~~[board]~~ shall publish an annual report on  
19 the motor vehicles ordered repurchased or replaced under this  
20 subchapter.

21 (c) The department ~~[board]~~ shall make the report available  
22 to the public and may charge a reasonable fee to cover the cost of  
23 the report.

24 SECTION 19. Section 2301.613(a), Occupations Code, is  
25 amended to read as follows:

26 (a) The department ~~[board]~~ shall prepare, publish, and  
27 distribute information concerning an owner's rights under this

1 subchapter. The retail seller of a new motor vehicle shall  
2 conspicuously post a copy of the information in the area where its  
3 customers usually pay for repairs.

4 SECTION 20. Section 2301.711, Occupations Code, is amended  
5 and to read as follows:

6 Sec. 2301.711. ORDERS AND DECISIONS. [~~(a)~~] An order or  
7 decision of the board must:

8 (1) include a separate finding of fact with respect to  
9 each specific issue the board is required by law to consider in  
10 reaching a decision;

11 (2) set forth additional findings of fact and  
12 conclusions of law on which the order or decision is based; [~~and~~]

13 (3) give the reasons for the particular actions taken;

14 (4) [~~-~~]

15 [~~(b) Except as provided by Subchapter M, the order or~~  
16 ~~decision must:~~

17 [~~(1)~~] be signed by the presiding officer or assistant  
18 presiding officer for the board;

19 (5) [~~(2)~~] be attested to by the director; and

20 (6) [~~(3)~~] have the seal affixed to it.

21 SECTION 21. Section 2301.803(c), Occupations Code, is  
22 amended to read as follows:

23 (c) A person affected by a statutory stay imposed by this  
24 chapter may request a hearing [~~initiate a proceeding before the~~  
25 ~~board~~] to modify, vacate, or clarify the extent and application of  
26 the statutory stay.

27 SECTION 22. Section 503.011, Transportation Code, is

1 amended to read as follows:

2           Sec. 503.011. PRORATING FEES. If the board [~~commission~~]  
3 prescribes the term of a general distinguishing number, license, or  
4 license plate under this chapter for a period other than one year,  
5 the board [~~commission~~] shall prorate the applicable annual fee  
6 required under this chapter as necessary to reflect the term of the  
7 number, license, or license plate.

8           SECTION 23. Section 503.027(a), Transportation Code, is  
9 amended to read as follows:

10           (a) If a dealer [~~person~~] consigns for sale more than five  
11 vehicles in a calendar year from a location other than the location  
12 for which the dealer [~~person~~] holds a [~~wholesale motor vehicle~~  
13 ~~auction general distinguishing number or a dealer~~] general  
14 distinguishing number, the dealer must also hold [~~location to which~~  
15 ~~the person consigns the vehicles must have~~] a general  
16 distinguishing number for the consignment [~~that~~] location unless  
17 the consignment location is a wholesale motor vehicle auction.

18           SECTION 24. Section 503.033(g), Transportation Code, is  
19 amended to read as follows:

20           (g) This section does not apply to a person licensed as a  
21 franchised motor vehicle dealer by the department [~~department's~~  
22 ~~Motor Vehicle Board~~].

23           SECTION 25. Section 503.039, Transportation Code, is  
24 amended to read as follows:

25           Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. (a) A motor  
26 vehicle may not be the subject of a subsequent sale at a public [~~an~~]  
27 auction by a holder of a dealer's general distinguishing number

1 unless[+]

2           [~~(1)~~] equitable or legal title has passed [~~passes~~] to  
3 the selling dealer [~~holder of a dealer's general distinguishing~~  
4 ~~number~~] before the [~~a~~] transfer of title to the subsequent buyer.

5           (b) The [~~+~~ and

6           [~~(2)~~ ~~the~~] holder of a dealer's general distinguishing  
7 number who sells a motor vehicle at a public auction must transfer  
8 [~~transfers~~] the certificate of title for that vehicle to the buyer  
9 before the 21st day after the date of the sale.

10           SECTION 26. The heading to Section 504.401, Transportation  
11 Code, is amended to read as follows:

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

14           SECTION 27. Sections 504.401(b) and (d), Transportation  
15 Code, are amended to read as follows:

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

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

19           (1) a member of the legislature;

20           (2) the governor;

21           (3) the lieutenant governor;

22           (4) [~~a justice of the supreme court,~~

23 [~~(5) a judge of the court of criminal appeals,~~

24 [~~(6)~~] the attorney general;

25           (5) [~~(7)~~] the commissioner of the General Land Office;

26           (6) [~~(8)~~] the comptroller;

27           (7) [~~(9)~~] a member of the Railroad Commission of

1 Texas;

2           (8) [~~(10)~~] the commissioner of agriculture;

3           (9) [~~(11)~~] the secretary of state; or

4           (10) [~~(12)~~] a member of the State Board of Education.

5           SECTION 28. Subchapter E, Chapter 504, Transportation Code,  
6 is amended by adding Section 504.4015 to read as follows:

7           Sec. 504.4015. STATE OFFICIALS: JUDICIAL BRANCH. (a) The  
8 department shall issue without charge specialty license plates to a  
9 current state judge. The license plates must include the words  
10 "State Judge."

11           (b) A state judge may be issued three sets of license plates  
12 under this section.

13           (c) The license plates remain valid until December 31 of  
14 each year.

15           (d) In this section, "state judge" means:

16                   (1) a justice of the supreme court;

17                   (2) a judge of the court of criminal appeals;

18                   (3) a judge of a court of appeals;

19                   (4) a district court judge;

20                   (5) a presiding judge of an administrative judicial  
21 district; or

22                   (6) a statutory county court judge.

23           SECTION 29. The heading to Section 504.402, Transportation  
24 Code, is amended to read as follows:

25           Sec. 504.402. FEDERAL OFFICIALS: MEMBERS OF CONGRESS.

26           SECTION 30. Section 504.402(b), Transportation Code, is  
27 amended to read as follows:



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

3 SECTION 31. Subchapter E, Chapter 504, Transportation Code,  
4 is amended by adding Section 504.4025 to read as follows:

5 Sec. 504.4025. FEDERAL OFFICIALS: JUDICIAL BRANCH. (a)  
6 The department shall issue without charge specialty license plates  
7 for a current federal judge. The license plates must include the  
8 words "U.S. Judge."

9 (b) A federal judge may be issued three sets of license  
10 plates under this section.

11 (c) The license plates remain valid until December 31 of  
12 each year.

13 (d) In this section, "federal judge" means:

14 (1) a justice of the United States Supreme Court whose  
15 primary residence is in this state;

16 (2) a judge of the Fifth Circuit Court of Appeals; or

17 (3) a judge of a United States district court.

18 SECTION 32. The heading to Section 504.405, Transportation  
19 Code, is amended to read as follows:

20 Sec. 504.405. COUNTY OFFICIALS: COUNTY JUDGES.

21 SECTION 33. Section 504.405, Transportation Code, is  
22 amended by amending Subsection (b) and adding Subsection (b-1) to  
23 read as follows:

24 (b) A person may be issued two [~~three~~] sets of license  
25 plates under this section.

26 (b-1) The license plates remain valid until December 31 of  
27 each year.

1 SECTION 34. Section 1001.001, Transportation Code, is  
2 amended by adding Subdivision (3) to read as follows:

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

5 SECTION 35. Section 1001.004, Transportation Code, is  
6 amended to read as follows:

7 Sec. 1001.004. DIVISIONS. The executive director [~~board~~]  
8 shall organize the department into divisions to accomplish the  
9 department's functions and the duties assigned to the department  
10 [~~it, including divisions for:~~

- 11 ~~[(1) administration;~~  
12 ~~[(2) motor carriers;~~  
13 ~~[(3) motor vehicle board; and~~  
14 ~~[(4) vehicle titles and registration].~~

15 SECTION 36. Subchapter A, Chapter 1001, Transportation  
16 Code, is amended by adding Sections 1001.007, 1001.008, 1001.009,  
17 1001.010, and 1001.011 to read as follows:

18 Sec. 1001.007. PROTECTION AND USE OF INTELLECTUAL PROPERTY  
19 AND PUBLICATIONS. (a) The department may:

20 (1) apply for, register, secure, hold, and protect  
21 under the laws of the United States, any state, or any nation a  
22 patent, copyright, mark, or other evidence of protection or  
23 exclusivity issued in or for an idea, publication, or other  
24 original innovation fixed in a tangible medium, including:

- 25 (A) a literary work;  
26 (B) a logo;  
27 (C) a service mark;

1           (D) a study;

2           (E) a map or planning document;

3           (F) a graphic design;

4           (G) a manual;

5           (H) automated systems software;

6           (I) an audiovisual work; or

7           (J) a sound recording;

8           (2) enter into an exclusive or nonexclusive license  
9 agreement with a third party for the receipt of a fee, royalty, or  
10 other thing of monetary or nonmonetary value for the benefit of the  
11 department;

12           (3) waive or reduce the amount of a fee, royalty, or  
13 other thing of monetary or nonmonetary value to be assessed if the  
14 department determines that the waiver will:

15                   (A) further the goals and missions of the  
16 department; and

17                   (B) result in a net benefit to the state; and

18           (4) adopt and enforce rules necessary to implement  
19 this section.

20           (b) Money collected by the department under this section  
21 shall be deposited to the credit of the state highway fund for use  
22 by the department in supporting the department's operations and the  
23 administration of the department's functions.

24           Sec. 1001.008. DONATIONS AND CONTRIBUTIONS. (a) Except as  
25 provided by Subsection (b), for the purpose of carrying out its  
26 functions and duties, the board may accept a donation or  
27 contribution in any form, including real or personal property,

1 money, materials, or services.

2 (b) The board may not accept a donation or contribution from  
3 an entity or association of entities that it regulates.

4 (c) The board by rule may delegate acceptance of donations  
5 or contributions under \$500, or not otherwise required to be  
6 acknowledged in an open meeting, to the executive director.

7 Sec. 1001.009. COLLECTION OF FEES FOR DEPARTMENT GOODS AND  
8 SERVICES. (a) The board may adopt rules regarding the method of  
9 collection of a fee for any goods sold or services provided by the  
10 department or for the administration of any department program.

11 (b) Goods sold and services provided under Subsection (a)  
12 include department publications and the issuance of licenses,  
13 permits, and registrations.

14 (c) The rules adopted under Subsection (a) may:

15 (1) authorize the use of electronic funds transfer or  
16 a valid debit or credit card issued by a financial institution  
17 chartered by a state, the United States, or a nationally recognized  
18 credit organization approved by the department; and

19 (2) require the payment of a discount or service  
20 charge for a credit card payment in addition to the fee.

21 (d) Revenue generated from the collection of discount or  
22 service charges under Subsection (c) shall be deposited to the  
23 credit of the state highway fund for use by the department in  
24 supporting the department's operations and the administration of  
25 the department's functions.

26 Sec. 1001.010. AUTHORITY TO CONTRACT. (a) The department  
27 may enter into an interlocal contract with one or more local

1 governments in accordance with Chapter 791, Government Code.

2 (b) The board by rule shall adopt policies and procedures  
3 consistent with applicable state procurement practices for  
4 soliciting and awarding a contract under this section.

5 Sec. 1001.011. EDUCATIONAL CAMPAIGNS AND TRAINING. The  
6 department may conduct public service educational campaigns  
7 related to its functions.

8 SECTION 37. Subchapter B, Chapter 1001, Transportation  
9 Code, is amended by adding Section 1001.0221 to read as follows:

10 Sec. 1001.0221. BOARD; DUTIES. (a) The board shall oversee  
11 and coordinate the development of the Texas Department of Motor  
12 Vehicles and shall ensure that all components of the motor vehicle  
13 industry function as a system.

14 (b) The board shall carry out its policy-making functions in  
15 a manner that protects the interests of the public and industry,  
16 maintains a safe and sound motor vehicle industry, and increases  
17 the economic prosperity of the state.

18 SECTION 38. Section 1001.023, Transportation Code, is  
19 amended to read as follows:

20 Sec. 1001.023. CHAIR AND VICE CHAIR; DUTIES. (a) The  
21 governor shall appoint one of the board's members chair of the  
22 board. The chair serves at the pleasure of the governor. The board  
23 shall elect one of its members vice chair of the board. The [A  
24 ~~chair or~~] vice chair serves at the pleasure of the board.

25 (b) The chair shall:

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

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

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

5           (4) report to the board the governor's suggestions for  
6 department operations;

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

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

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

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

21           (9) appoint a member of the board to act in the  
22 [~~chair's~~] absence of the chair and vice chair; and

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

26           SECTION 39. Section 1001.031, Transportation Code, is  
27 amended by amending Subsection (a) and adding Subsections (a-1) and

1 (f) to read as follows:

2 (a) The board shall retain or establish one or more  
3 ~~[separate]~~ advisory committees ~~[for the motor carrier, motor~~  
4 ~~vehicles, and vehicle titles and registration divisions]~~ to make  
5 recommendations to the board or the executive director ~~[on the~~  
6 ~~operation of the applicable division]~~. A committee has the  
7 purposes, powers, and duties, including the manner of reporting its  
8 work, prescribed by the board. A committee and each committee  
9 member serves at the will of the board.

10 (a-1) Section 2110.002, Government Code, does not apply to  
11 an advisory committee established under this section.

12 (f) The meetings of an advisory committee shall be made  
13 accessible to the public in person or through electronic means.

14 SECTION 40. Subchapter C, Chapter 1001, Transportation  
15 Code, is amended by adding Section 1001.0411 to read as follows:

16 Sec. 1001.0411. EXECUTIVE DIRECTOR; DUTIES. (a) The board  
17 shall appoint an executive director to serve at the pleasure of the  
18 board. The executive director shall perform all duties assigned by  
19 the board.

20 (b) The executive director may delegate duties or  
21 responsibilities as the executive director considers appropriate,  
22 provided the delegation does not conflict with applicable law or a  
23 resolution of the board.

24 SECTION 41. Chapter 1001, Transportation Code, is amended  
25 by adding Subchapter D to read as follows:

26 SUBCHAPTER D. ELECTRONIC ISSUANCE OF LICENSES

27 Sec. 1001.101. DEFINITIONS. In this subchapter:

1           (1) "Digital signature" means an electronic  
2 identifier intended by the person using it to have the same force  
3 and effect as the use of a manual signature.

4           (2) "License" includes:

5                 (A) a motor carrier registration issued under  
6 Chapter 643;

7                 (B) a motor vehicle dealer, salvage dealer,  
8 manufacturer, distributor, representative, converter, or agent  
9 license issued by the department;

10                (C) specially designated or specialized license  
11 plates issued under Chapter 504; and

12                (D) an apportioned registration issued according  
13 to the International Registration Plan under Section 502.054.

14           Sec. 1001.102. APPLICATION FOR AND ISSUANCE OF LICENSE.

15 The board by rule may provide for the filing of a license  
16 application and the issuance of a license by electronic means.

17           Sec. 1001.103. DIGITAL SIGNATURE. (a) A license

18 application received by the department is considered signed if a  
19 digital signature is transmitted with the application and intended  
20 by the applicant to authenticate the license in accordance with  
21 Subsection (b).

22                (b) The department may only accept a digital signature used  
23 to authenticate a license application under procedures that:

24                   (1) comply with any applicable rules of another state  
25 agency having jurisdiction over department use or acceptance of a  
26 digital signature; and

27                   (2) provide for consideration of factors that may



1 affect a digital signature's reliability, including whether a  
2 digital signature is:

- 3 (A) unique to the person using it;  
4 (B) capable of independent verification;  
5 (C) under the sole control of the person using  
6 it; and  
7 (D) transmitted in a manner that makes it  
8 infeasible to change the data in the communication or digital  
9 signature without invalidating the digital signature.

10 SECTION 42. Chapter 1003, Transportation Code, is amended  
11 by adding Section 1003.005 to read as follows:

12 Sec. 1003.005. DELEGATION OF POWER. (a) The board by rule  
13 may delegate any power relating to a contested case hearing, other  
14 than the power to issue a final order, to:

- 15 (1) one or more of the board's members;  
16 (2) the executive director;  
17 (3) the director of a division of the department; or  
18 (4) one or more of the department's employees.

19 (b) The board by rule may delegate the authority to issue a  
20 final order in a contested case hearing to:

- 21 (1) one or more of the board's members;  
22 (2) the executive director; or  
23 (3) the director of a division within the department  
24 designated by the board or the executive director to carry out the  
25 requirements of this chapter.

26 (c) The board by rule may delegate any power relating to a  
27 complaint investigation to any person employed by the department.

1 SECTION 43. Section 264.502(b), Family Code, is amended to  
2 read as follows:

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

6 (1) a criminal prosecutor involved in prosecuting  
7 crimes against children;

8 (2) a sheriff;

9 (3) a justice of the peace;

10 (4) a medical examiner;

11 (5) a police chief;

12 (6) a pediatrician experienced in diagnosing and  
13 treating child abuse and neglect;

14 (7) a child educator;

15 (8) a child mental health provider;

16 (9) a public health professional;

17 (10) a child protective services specialist;

18 (11) a sudden infant death syndrome family service  
19 provider;

20 (12) a neonatologist;

21 (13) a child advocate;

22 (14) a chief juvenile probation officer;

23 (15) a child abuse prevention specialist;

24 (16) a representative of the Department of Public  
25 Safety; and

26 (17) a representative of the Texas Department of  
27 Transportation [~~Motor Vehicles~~].

1 SECTION 44. Section 2110.002, Government Code, is amended  
2 by adding Subsection (c) to read as follows:

3 (c) This section does not apply to an advisory committee  
4 established by the Texas Department of Motor Vehicles.

5 SECTION 45. (a) The following provisions are repealed:

6 (1) Section 2054.270, Government Code;

7 (2) Sections 2301.105, 2301.106, and 2301.206,  
8 Occupations Code;

9 (3) Sections 503.033(c), 1001.031(c) and (d), and  
10 1004.003, Transportation Code; and

11 (4) Sections 504.403, 504.404, and 504.406,  
12 Transportation Code.

13 (b) Section 6.03(c), Chapter 933 (H.B. 3097), Acts of the  
14 81st Legislature, Regular Session, 2009, is repealed.

15 SECTION 46. This Act takes effect September 1, 2011.

**ADOPTED**

MAY 21 2011

*Atty Gen*  
Secretary of the Senate

By: Williams

H.B. No. 2017

Substitute the following for H.B. No. 2017:

By: Wiles

C.S. ~~H.~~B. No. 2017

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the organization, governance, duties, and functions of  
3 the Texas Department of Motor Vehicles.

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

5 SECTION 1. Section 2301.002, Occupations Code, is amended  
6 by adding Subdivisions (1-a) and (14-a) and amending Subdivisions  
7 (11), (16), (23), and (32) to read as follows:

8 (1-a) "Ambulance manufacturer" means a person other  
9 than the manufacturer of a motor vehicle chassis who, before the  
10 retail sale of the motor vehicle, performs modifications on the  
11 chassis that result in the finished product being classified as an  
12 ambulance.

13 (11) "Distributor" means a person, other than a  
14 manufacturer, who:

15 (A) distributes or sells new motor vehicles to a  
16 franchised dealer; or

17 (B) enters into franchise agreements with  
18 franchised dealers, on behalf of the manufacturer.

19 (14-a) "Fire-fighting vehicle manufacturer" means a  
20 person other than the manufacturer of a motor vehicle chassis who,  
21 before the retail sale of the motor vehicle, performs modifications  
22 on the chassis that result in the finished product being classified  
23 as a fire-fighting vehicle.

24 (16) "Franchised dealer" means a person who:

1 (A) holds a franchised motor vehicle dealer's  
2 license issued by the board under this chapter and Chapter 503,  
3 Transportation Code; and

4 (B) is engaged in the business of buying,  
5 selling, or exchanging new motor vehicles and servicing or  
6 repairing motor vehicles under a manufacturer's warranty at an  
7 established and permanent place of business under a franchise in  
8 effect with a manufacturer or distributor.

9 (23) "Motor vehicle" means:

10 (A) a fully self-propelled vehicle having two or  
11 more wheels that has as its primary purpose the transport of a  
12 person or persons, or property, on a public highway;

13 (B) a fully self-propelled vehicle having two or  
14 more wheels that:

15 (i) has as its primary purpose the  
16 transport of a person or persons or property;

17 (ii) is not manufactured for use on public  
18 streets, roads, or highways; and

19 (iii) meets the requirements for [~~has been~~  
20 ~~issued~~] a certificate of title;

21 (C) an engine, transmission, or rear axle,  
22 regardless of whether attached to a vehicle chassis, manufactured  
23 for installation in a vehicle that has:

24 (i) the transport of a person or persons, or  
25 property, on a public highway as its primary purpose; and

26 (ii) a gross vehicle weight rating of more  
27 than 16,000 pounds; or

1 (D) a towable recreational vehicle.

2 (32) "Towable recreational vehicle" means a  
3 nonmotorized vehicle that:

4 (A) was originally designed and manufactured  
5 primarily to provide temporary human habitation in conjunction with  
6 recreational, camping, or seasonal use;

7 (B) meets the requirements to be issued a  
8 certificate of title and registration by [~~is titled and registered~~  
9 ~~with~~] the department as a travel trailer through a county tax  
10 assessor-collector;

11 (C) is permanently built on a single chassis;

12 (D) contains at least one life support system;

13 and

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

15 SECTION 2. Section 2301.153(a), Occupations Code, is  
16 amended to read as follows:

17 (a) Notwithstanding any other provision of law, the board  
18 has all powers necessary, incidental, or convenient to perform a  
19 power or duty expressly granted under this chapter, including the  
20 power to:

21 (1) initiate and conduct proceedings, investigations,  
22 or hearings;

23 (2) administer oaths;

24 (3) receive evidence and pleadings;

25 (4) issue subpoenas to compel the attendance of any  
26 person;

27 (5) order the production of any tangible property,

1 including papers, records, or other documents;

2 (6) make findings of fact on all factual issues  
3 arising out of a proceeding initiated under this chapter;

4 (7) specify and govern appearance, practice, and  
5 procedures before the board;

6 (8) adopt rules and issue conclusions of law and  
7 decisions, including declaratory decisions or orders;

8 (9) enter into contracts;

9 (10) execute instruments;

10 (11) retain counsel;

11 (12) use the services of the attorney general and  
12 institute and direct the conduct of legal proceedings in any forum;

13 (13) obtain other professional services as necessary  
14 and convenient;

15 (14) impose a sanction for contempt;

16 (15) assess and collect fees and costs, including  
17 attorney's fees;

18 (16) issue, suspend, or revoke licenses;

19 (17) prohibit and regulate acts and practices in  
20 connection with the distribution and sale of motor vehicles or  
21 warranty performance obligations;

22 (18) issue cease and desist orders in the nature of  
23 temporary or permanent injunctions;

24 (19) impose a civil penalty;

25 (20) enter an order requiring a person to:

26 (A) repurchase property under Section 2301.465  
27 and pay costs and expenses of a party in connection with an order

1 entered under that section [~~Section 2301.465~~];

2 (B) perform an act other than the payment of  
3 money; or

4 (C) refrain from performing an act; and

5 (21) enforce a board order.

6 SECTION 3. Section 2301.154, Occupations Code, is amended  
7 to read as follows:

8 Sec. 2301.154. DELEGATION OF POWERS. (a) The director may  
9 delegate any of the director's powers to one or more of the  
10 division's employees.

11 (b) The board by rule may delegate any power relating to a  
12 contested case hearing, other than the power to issue a final order,  
13 to:

14 (1) one or more of the board's members;

15 (2) the executive director;

16 (3) the director; or

17 (4) one or more of the department's employees.

18 (c) The board by rule may delegate the authority to issue a  
19 final order in a contested case hearing to:

20 (1) one or more of the board's members;

21 (2) the executive director; or

22 (3) the director of a division within the department  
23 designated by the board or the executive director to carry out the  
24 requirements of this chapter.

25 (d) The board by rule may delegate any power relating to a  
26 complaint investigation to any person employed by the department.

27 SECTION 4. Section 2301.252(b), Occupations Code, is



1 amended to read as follows:

2 (b) For purposes of this section:

3 (1) the make of a conversion[~~, ambulance, or~~  
4 ~~fire-fighting vehicle~~] is that of the chassis manufacturer; [~~and~~]

5 (2) the make of a motor home is that of the motor home  
6 manufacturer;

7 (3) the make of an ambulance is that of the ambulance  
8 manufacturer; and

9 (4) the make of a fire-fighting vehicle is that of the  
10 fire-fighting vehicle manufacturer.

11 SECTION 5. Sections 2301.257(a), (b), and (c), Occupations  
12 Code, are amended to read as follows:

13 (a) An application for a dealer's license must be on a form  
14 prescribed by the department [~~board~~]. The application must  
15 include:

16 (1) the information required by Chapter 503,  
17 Transportation Code; and

18 (2) information relating to the applicant's financial  
19 resources, business integrity, business ability and experience,  
20 franchise if applicable, physical facilities, vehicle inventory,  
21 and other factors the department [~~board~~] considers necessary to  
22 determine the applicant's qualifications to adequately serve the  
23 public.

24 (b) If a material change occurs in the information included  
25 in an application for a dealer's license, the dealer shall notify  
26 the department [~~director~~] of the change within a reasonable  
27 time. The department [~~director~~] shall prescribe a form for the

1 disclosure of the change.

2 (c) A franchised dealer must apply for a separate license  
3 under this section for each separate and distinct dealership  
4 showroom as determined by the department [~~board~~]. Before changing  
5 a location, a dealer must obtain a new license for that location.

6 SECTION 6. Section 2301.258, Occupations Code, is amended  
7 to read as follows:

8 Sec. 2301.258. GENERAL REQUIREMENTS FOR APPLICATION FOR  
9 MANUFACTURER'S, DISTRIBUTOR'S, CONVERTER'S, OR REPRESENTATIVE'S  
10 LICENSE. An application for a manufacturer's, distributor's,  
11 converter's, or representative's license must be on a form  
12 prescribed by the department [~~board~~]. The application must include  
13 information the department [~~board~~] determines necessary to fully  
14 determine the qualifications of an applicant, including financial  
15 resources, business integrity and experience, facilities and  
16 personnel for serving franchised dealers, and other information the  
17 department [~~board~~] determines pertinent to safeguard the public  
18 interest and welfare.

19 SECTION 7. Section 2301.261(a), Occupations Code, is  
20 amended to read as follows:

21 (a) An application for a vehicle lessor's license must:

22 (1) be on a form prescribed by the department [~~board~~];

23 (2) contain evidence of compliance with Chapter 503,  
24 Transportation Code, if applicable; and

25 (3) state other information required by the department  
26 [~~board~~].

27 SECTION 8. Section 2301.262(a), Occupations Code, is

1 amended to read as follows:

2 (a) An application for a vehicle lease facilitator license  
3 must be on a form prescribed by the department [~~board~~] and contain  
4 the information required by the department [~~board~~].

5 SECTION 9. Sections 2301.264(c) and (d), Occupations Code,  
6 are amended to read as follows:

7 (c) The department [~~board~~] may prorate the fee for a  
8 representative's license to allow the representative's license and  
9 the license of the manufacturer or distributor who employs the  
10 representative to expire on the same day.

11 (d) The department [~~board~~] may refund from funds  
12 appropriated to the department [~~board~~] for that purpose a fee  
13 collected under this chapter that is not due or that exceeds the  
14 amount due.

15 SECTION 10. Sections 2301.301(a), (b), (c), and (e),  
16 Occupations Code, are amended to read as follows:

17 (a) Licenses issued under this chapter are valid for the  
18 period prescribed by the board [~~commission~~].

19 (b) The board [~~director~~] may issue a license for a term of  
20 less than the period prescribed under Subsection (a) to coordinate  
21 the expiration dates of licenses held by a person that is required  
22 to obtain more than one license to perform activities under this  
23 chapter.

24 (c) The board [~~commission~~] by rule may implement a system  
25 under which licenses expire on various dates during the year. For  
26 a year in which a license expiration date is changed [~~If a license~~  
27 ~~is issued or renewed for a term that is less than the period set~~

1 ~~under Subsection (a)]~~, the fee for the license shall be prorated so  
2 that the license holder pays only that portion of the fee that is  
3 allocable to the number of months during which the license is  
4 valid. On renewal of the license on the new expiration date, the  
5 entire license renewal fee is payable.

6 (e) If the board [~~commission~~] prescribes the term of a  
7 license under this chapter for a period other than one year, the  
8 board [~~commission~~] shall prorate the applicable annual fee required  
9 under this chapter as necessary to reflect the term of the license.

10 SECTION 11. Section 2301.302, Occupations Code, is amended  
11 to read as follows:

12 Sec. 2301.302. NOTICE OF LICENSE EXPIRATION. The  
13 department [~~board~~] shall notify each person licensed under this  
14 chapter of the date of license expiration and the amount of the fee  
15 required for license renewal. The notice shall be sent [~~mailed~~] at  
16 least 30 days before the date of license expiration.

17 SECTION 12. Section 2301.351, Occupations Code, is amended  
18 to read as follows:

19 Sec. 2301.351. GENERAL PROHIBITION. A dealer may not:

20 (1) violate a board rule;

21 (2) aid or abet a person who violates this chapter,  
22 Chapter 503, Transportation Code, or a rule adopted under those  
23 chapters; or

24 (3) use false, deceptive, or misleading advertising  
25 relating to the sale or lease of motor vehicles.

26 SECTION 13. Sections 2301.358(a) and (c), Occupations Code,  
27 are amended to read as follows:

1 (a) A person who holds a license issued under this chapter  
2 may not participate in a new motor vehicle show or exhibition  
3 unless:

4 (1) the person provides the department [~~board~~] with  
5 written notice at least 30 days before the date the show or  
6 exhibition opens; and

7 (2) the department [~~board~~] grants written approval.

8 (c) This section does not prohibit the sale of a towable  
9 recreational vehicle, motor home, ambulance, fire-fighting  
10 vehicle, or tow truck at a show or exhibition if:

11 (1) the show or exhibition is approved by the  
12 department [~~board~~]; and

13 (2) the sale is not otherwise prohibited by law.

14 SECTION 14. Section 2301.401(a), Occupations Code, is  
15 amended to read as follows:

16 (a) A manufacturer or distributor shall file with the  
17 department [~~board~~] a copy of the current requirements the  
18 manufacturer or distributor imposes on its dealers with respect to  
19 the dealer's:

20 (1) duties under the manufacturer's or distributor's  
21 warranty; and

22 (2) vehicle preparation and delivery obligations.

23 SECTION 15. Section 2301.454(a), Occupations Code, is  
24 amended to read as follows:

25 (a) Notwithstanding the terms of any franchise, a  
26 manufacturer, distributor, or representative may not modify or  
27 replace a franchise if the modification or replacement would

1 adversely affect to a substantial degree the dealer's sales,  
2 investment, or obligations to provide service to the public,  
3 unless:

4 (1) the manufacturer, distributor, or representative  
5 provides written notice by registered or certified mail to each  
6 affected dealer and the department [~~board~~] of the modification or  
7 replacement; and

8 (2) if a protest is filed under this section, the board  
9 approves the modification or replacement.

10 SECTION 16. Section 2301.476(c), Occupations Code, is  
11 amended to read as follows:

12 (c) Except as provided by this section, a manufacturer or  
13 distributor may not directly or indirectly:

14 (1) own an interest in a franchised or nonfranchised  
15 dealer or dealership;

16 (2) operate or control a franchised or nonfranchised  
17 dealer or dealership; or

18 (3) act in the capacity of a franchised or  
19 nonfranchised dealer.

20 SECTION 17. Section 2301.601(2), Occupations Code, is  
21 amended to read as follows:

22 (2) "Owner" means a person who is entitled to enforce a  
23 manufacturer's warranty with respect to a motor vehicle, and who:

24 (A) purchased the [~~a~~] motor vehicle at retail  
25 from a license holder [~~and is entitled to enforce a manufacturer's~~  
26 ~~warranty with respect to the vehicle~~];

27 (B) is a lessor or lessee, other than a

1 sublessee, who purchased or leased the vehicle from a license  
2 holder; ~~[or]~~

3 (C) is a resident of this state and has  
4 registered the vehicle in this state;

5 (D) purchased or leased the vehicle at retail and  
6 is an active duty member of the United States armed forces stationed  
7 in this state at the time a proceeding is commenced under this  
8 subchapter; or

9 (E) is:

10 (i) the transferee or assignee of a person  
11 described by Paragraphs (A)-(D); ~~[Paragraph (A) or (B)]~~

12 (ii) a resident of this state; ~~[and]~~

13 (iii) the person who registered the vehicle  
14 in this state ~~[entitled to enforce the manufacturer's warranty].~~

15 SECTION 18. Sections 2301.611(a) and (c), Occupations Code,  
16 are amended to read as follows:

17 (a) The department ~~[board]~~ shall publish an annual report on  
18 the motor vehicles ordered repurchased or replaced under this  
19 subchapter.

20 (c) The department ~~[board]~~ shall make the report available  
21 to the public and may charge a reasonable fee to cover the cost of  
22 the report.

23 SECTION 19. Section 2301.613(a), Occupations Code, is  
24 amended to read as follows:

25 (a) The department ~~[board]~~ shall prepare, publish, and  
26 distribute information concerning an owner's rights under this  
27 subchapter. The retail seller of a new motor vehicle shall

1 conspicuously post a copy of the information in the area where its  
2 customers usually pay for repairs.

3 SECTION 20. Section 2301.711, Occupations Code, is amended  
4 and to read as follows:

5 Sec. 2301.711. ORDERS AND DECISIONS. [~~(a)~~] An order or  
6 decision of the board must:

7 (1) include a separate finding of fact with respect to  
8 each specific issue the board is required by law to consider in  
9 reaching a decision;

10 (2) set forth additional findings of fact and  
11 conclusions of law on which the order or decision is based; [~~and~~]

12 (3) give the reasons for the particular actions taken;

13 (4) [~~-~~]

14 [~~(b) Except as provided by Subchapter M, the order or~~  
15 ~~decision must.~~]

16 [~~(1)~~] be signed by the presiding officer or assistant  
17 presiding officer for the board;

18 (5) [~~(2)~~] be attested to by the director; and

19 (6) [~~(3)~~] have the seal affixed to it.

20 SECTION 21. Section 2301.803(c), Occupations Code, is  
21 amended to read as follows:

22 (c) A person affected by a statutory stay imposed by this  
23 chapter may request a hearing [~~initiate a proceeding before the~~  
24 ~~board~~] to modify, vacate, or clarify the extent and application of  
25 the statutory stay.

26 SECTION 22. Section 501.023, Transportation Code, is  
27 amended by amending Subsections (a), (b), and (c) and adding



1 Subsection (e) to read as follows:

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

6 (1) to the county assessor-collector in the county in  
7 which:

8 (A) the owner is domiciled; or

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

10 or [~~and~~]

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

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

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

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

24 (c) The owner or a lessee of a commercial motor vehicle  
25 operating under the International Registration Plan or other  
26 agreement described by Section 502.054 that is applying for a  
27 [~~certificate of~~] title for purposes of registration only may apply

1 ~~[must be made]~~ directly to the department. Notwithstanding Section  
2 501.138(a), an applicant for registration under this subsection  
3 shall pay ~~[the department]~~ the fee imposed by that section. The  
4 ~~[department shall send the]~~ fee shall be distributed to the  
5 appropriate county assessor-collector ~~[for distribution]~~ in the  
6 manner provided by Section 501.138.

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

11 SECTION 23. Chapter 501, Transportation Code, is amended by  
12 adding Subchapter I to read as follows:

13 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

14 Sec. 501.171. APPLICATION OF SUBCHAPTER. This subchapter  
15 applies only if the department implements a titling system under  
16 Section 501.173.

17 Sec. 501.172. DEFINITIONS. In this subchapter:

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

21 (2) "Electronic" means relating to technology having  
22 electrical, digital, magnetic, wireless, optical, electromagnetic,  
23 or similar capabilities.

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

26 (4) "Electronic signature" means an electronic sound,  
27 symbol, or process attached to or logically associated with a

1 document and executed or adopted by a person with the intent to sign  
2 the document.

3 (5) "Paper document" means a document that is in  
4 printed form.

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

7 (b) A record of title maintained electronically by the  
8 department in the titling system is the official record of vehicle  
9 ownership unless the owner requests that the department issue a  
10 printed title.

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

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

17 (c) A requirement that a document or a signature associated  
18 with a document be notarized, acknowledged, verified, witnessed, or  
19 made under oath is satisfied if the electronic signature of the  
20 person authorized to perform that act, and all other information  
21 required to be included, is attached to or logically associated  
22 with the document or signature. A physical or electronic image of a  
23 stamp, impression, or seal is not required to accompany an  
24 electronic signature.

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

27 (1) receive, index, store, archive, and transmit

1 electronic documents;

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

4 (3) convert into electronic form:

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

7 (B) information recorded and documents that were  
8 accepted for the titling of a motor vehicle before the titling  
9 system was implemented.

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

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

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

23 (c) In addition to the fee authorized by Subsection (b), the  
24 department may collect from a person making payment by electronic  
25 funds transfer, credit card, or debit card an amount equal to the  
26 amount of any transaction fee charged to the department by a vendor  
27 providing services in connection with payments made by electronic

1 funds transfer, credit card, or debit card. The limitation  
2 prescribed by Subsection (b) on the amount of a fee does not apply  
3 to a fee collected under this subsection.

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

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

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

25 SECTION 24. Section 502.002, Transportation Code, is  
26 amended to read as follows:

27 Sec. 502.002. REGISTRATION REQUIRED; GENERAL RULE. (a)

1 Not more than 30 days after purchasing a vehicle or becoming a  
2 resident of this state, the [~~The~~] owner of a motor vehicle, trailer,  
3 or semitrailer shall apply for the registration of the vehicle for:

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

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

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

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

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

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

22 (B) is inoperable for a protracted period of  
23 time.

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

26 (d) A county assessor-collector, a deputy county  
27 assessor-collector, or a person acting on behalf of a county

1 assessor-collector is not liable to any person for:

2 (1) refusing to register a motor vehicle because of  
3 the person's failure to submit evidence of residency that complies  
4 with the department's rules; or

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

6 SECTION 25. Section 502.151, Transportation Code, is  
7 amended to read as follows:

8 Sec. 502.151. APPLICATION FOR REGISTRATION. (a) An  
9 application for vehicle registration must:

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

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

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

16 [~~(4) contain any other information required by the~~  
17 ~~department; and~~

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

19 (b) The department shall deny the [~~For a new motor vehicle,~~  
20 ~~the description of the vehicle must include the vehicle's:~~

21 [~~(1) trade name;~~

22 [~~(2) year model;~~

23 [~~(3) style and type of body;~~

24 [~~(4) weight, if the vehicle is a passenger car;~~

25 [~~(5) net carrying capacity and gross weight, if the~~  
26 ~~vehicle is a commercial motor vehicle;~~

27 [~~(6) vehicle identification number; and~~

1           ~~[(7) date of sale by the manufacturer or dealer to the~~  
2 ~~applicant.~~

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

5                 (1) has a business operated, managed, or otherwise  
6 controlled or affiliated with a person who is ineligible for  
7 registration or whose privilege to operate has been suspended,  
8 including the applicant entity, a relative, a family member, a  
9 corporate officer, or a shareholder;

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

13                (3) is a carrier whose business is operated, managed,  
14 or otherwise controlled or affiliated with a person who is  
15 ineligible for registration, including the owner, a relative, a  
16 family member, a corporate officer, or a shareholder; or

17                (4) fails to ~~[must]~~ deliver to the county  
18 assessor-collector proof of ~~[an affidavit showing]~~ the weight of  
19 the vehicle, the maximum load to be carried on the vehicle, and the  
20 gross weight for which the vehicle is to be registered. ~~[The~~  
21 ~~assessor-collector shall keep the affidavit on file.]~~

22            (c) ~~[(d)]~~ In lieu of filing an application during a year as  
23 provided by Subsection (a), the owner of a vehicle registered in any  
24 state for that year or the preceding year may present the  
25 registration receipt and transfer receipt, if any. The county  
26 assessor-collector shall accept the receipt as an application for  
27 renewal of the registration if the receipt indicates the applicant



1 owns the vehicle. This section allows issuance for registration  
2 purposes only but does not authorize the department to issue a  
3 title.

4 (d) The department may require an applicant for  
5 registration to provide current personal identification as  
6 determined by department rule. Any identification number required  
7 by the department under this subsection may be entered into the  
8 department's electronic titling system but may not be printed on  
9 the title.

10 ~~[(e) If an owner or claimed owner has lost or misplaced the~~  
11 ~~registration receipt or transfer receipt for the vehicle, the~~  
12 ~~county assessor-collector shall register the vehicle on the~~  
13 ~~person's furnishing to the assessor-collector satisfactory~~  
14 ~~evidence, by affidavit or otherwise, that the person owns the~~  
15 ~~vehicle.~~

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

19 SECTION 26. Section 503.011, Transportation Code, is  
20 amended to read as follows:

21 Sec. 503.011. PRORATING FEES. If the board [~~commission~~]  
22 prescribes the term of a general distinguishing number, license, or  
23 license plate under this chapter for a period other than one year,  
24 the board [~~commission~~] shall prorate the applicable annual fee  
25 required under this chapter as necessary to reflect the term of the  
26 number, license, or license plate.

27 SECTION 27. Section 503.027(a), Transportation Code, is

1 amended to read as follows:

2 (a) If a dealer [~~person~~] consigns for sale more than five  
3 vehicles in a calendar year from a location other than the location  
4 for which the dealer [~~person~~] holds a [~~wholesale motor vehicle~~  
5 ~~auction general distinguishing number or a dealer~~] general  
6 distinguishing number, the dealer must also hold [~~location to which~~  
7 ~~the person consigns the vehicles must have~~] a general  
8 distinguishing number for the consignment [~~that~~] location unless  
9 the consignment location is a wholesale motor vehicle auction.

10 SECTION 28. Section 503.033(g), Transportation Code, is  
11 amended to read as follows:

12 (g) This section does not apply to a person licensed as a  
13 franchised motor vehicle dealer by the department [~~department's~~  
14 ~~Motor Vehicle Board~~].

15 SECTION 29. Section 503.039, Transportation Code, is  
16 amended to read as follows:

17 Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. (a) A motor  
18 vehicle may not be the subject of a subsequent sale at a public [~~an~~]  
19 auction by a holder of a dealer's general distinguishing number  
20 unless[+

21 [~~1~~] equitable or legal title has passed [~~passes~~] to  
22 the selling dealer [~~holder of a dealer's general distinguishing~~  
23 ~~number~~] before the [~~a~~] transfer of title to the subsequent buyer.

24 (b) The [~~+~~ and

25 [~~2~~ the] holder of a dealer's general distinguishing  
26 number who sells a motor vehicle at a public auction must transfer  
27 [~~transfers~~] the certificate of title for that vehicle to the buyer

1 before the 21st day after the date of the sale.

2 SECTION 30. Subchapter A, Chapter 520, Transportation Code,  
3 is amended by adding Sections 520.003 and 520.004 to read as  
4 follows:

5 Sec. 520.003. RULES; WAIVER OF FEES. The department may  
6 adopt rules to administer this chapter, including rules that waive  
7 the payment of fees if a dealer has gone out of business and the  
8 applicant can show that fees were paid to the dealer.

9 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department  
10 has jurisdiction over the registration and titling of, and the  
11 issuance of license plates to, motor vehicles in compliance with  
12 the applicable statutes. The department by rule:

13 (1) shall provide services that are reasonable,  
14 adequate, and efficient;

15 (2) shall establish standards for uniformity and  
16 service quality for counties and dealers licensed under Section  
17 520.005; and

18 (3) may conduct public service education campaigns  
19 related to the department's functions.

20 SECTION 31. Section 501.137, Transportation Code, is  
21 transferred to Subchapter A, Chapter 520, Transportation Code,  
22 redesignated as Section 520.005, Transportation Code, and amended  
23 to read as follows:

24 Sec. 520.005 [~~501.137~~]. DUTY AND RESPONSIBILITIES OF  
25 COUNTY ASSESSOR-COLLECTOR. (a) Each county assessor-collector  
26 shall comply with Chapter 501 [~~this chapter~~].

27 (b) An assessor-collector who fails or refuses to comply

1 with Chapter 501 [~~this chapter~~] is liable on the  
2 assessor-collector's official bond for resulting damages suffered  
3 by any person.

4 (c) The assessor-collector may license franchised and  
5 nonfranchised 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 32. 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  
16 ASSESSOR-COLLECTOR. (a) A county assessor-collector shall  
17 receive a fee of \$1.90 for each receipt issued under Chapter 502  
18 [~~this chapter. If the assessor-collector may be compensated by~~  
19 ~~fees, a fee received is compensation for services under this~~  
20 ~~chapter. The assessor-collector shall deduct the fee weekly from~~  
21 ~~the gross collections made under this chapter~~].

22 (a-1) A county assessor-collector collecting fees on behalf  
23 of a county that has been declared as a disaster area for purposes  
24 of Section 501.023 or 502.002 may retain the commission for fees  
25 collected, but shall allocate the fees to the county declared as a  
26 disaster area.

27 (b) A county assessor-collector who is compensated under

1 this section shall pay the entire expense of issuing registration  
2 receipts and license plates under Chapter 501 or 502 [~~this chapter~~]  
3 from the compensation allowed under this section.

4 SECTION 33. Section 1001.001, Transportation Code, is  
5 amended by adding Subdivision (3) to read as follows:

6 (3) "Executive director" means the executive director  
7 of the department.

8 SECTION 34. Section 1001.004, Transportation Code, is  
9 amended to read as follows:

10 Sec. 1001.004. DIVISIONS. The executive director [~~board~~]  
11 shall organize the department into divisions to accomplish the  
12 department's functions and the duties assigned to the department  
13 [~~it, including divisions for:~~

14 [~~(1) administration,~~

15 [~~(2) motor carriers,~~

16 [~~(3) motor vehicle board, and~~

17 [~~(4) vehicle titles and registration]~~].

18 SECTION 35. Subchapter A, Chapter 1001, Transportation  
19 Code, is amended by adding Sections 1001.007, 1001.008, 1001.009,  
20 1001.010, and 1001.011 to read as follows:

21 Sec. 1001.007. PROTECTION AND USE OF INTELLECTUAL PROPERTY  
22 AND PUBLICATIONS. (a) The department may:

23 (1) apply for, register, secure, hold, and protect  
24 under the laws of the United States, any state, or any nation a  
25 patent, copyright, mark, or other evidence of protection or  
26 exclusivity issued in or for an idea, publication, or other  
27 original innovation fixed in a tangible medium, including:

1                   (A) a literary work;  
2                   (B) a logo;  
3                   (C) a service mark;  
4                   (D) a study;  
5                   (E) a map or planning document;  
6                   (F) a graphic design;  
7                   (G) a manual;  
8                   (H) automated systems software;  
9                   (I) an audiovisual work; or  
10                   (J) a sound recording;  
11                   (2) enter into an exclusive or nonexclusive license  
12 agreement with a third party for the receipt of a fee, royalty, or  
13 other thing of monetary or nonmonetary value for the benefit of the  
14 department;  
15                   (3) waive or reduce the amount of a fee, royalty, or  
16 other thing of monetary or nonmonetary value to be assessed if the  
17 department determines that the waiver will:  
18                   (A) further the goals and missions of the  
19 department; and  
20                   (B) result in a net benefit to the state; and  
21                   (4) adopt and enforce rules necessary to implement  
22 this section.  
23                   (b) Money collected by the department under this section  
24 shall be deposited to the credit of the state highway fund for use  
25 by the department in supporting the department's operations and the  
26 administration of the department's functions.  
27                   Sec. 1001.008. DONATIONS AND CONTRIBUTIONS. (a) Except as

1 provided by Subsection (b), for the purpose of carrying out its  
2 functions and duties, the board may accept a donation or  
3 contribution in any form, including real or personal property,  
4 money, materials, or services.

5 (b) The board may not accept a donation or contribution from  
6 an entity or association of entities that it regulates.

7 (c) The board by rule may delegate acceptance of donations  
8 or contributions under \$500, or not otherwise required to be  
9 acknowledged in an open meeting, to the executive director.

10 Sec. 1001.009. COLLECTION OF FEES FOR DEPARTMENT GOODS AND  
11 SERVICES. (a) The board may adopt rules regarding the method of  
12 collection of a fee for any goods sold or services provided by the  
13 department or for the administration of any department program.

14 (b) Goods sold and services provided under Subsection (a)  
15 include department publications and the issuance of licenses,  
16 permits, and registrations.

17 (c) The rules adopted under Subsection (a) may:

18 (1) authorize the use of electronic funds transfer or  
19 a valid debit or credit card issued by a financial institution  
20 chartered by a state, the United States, or a nationally recognized  
21 credit organization approved by the department; and

22 (2) require the payment of a discount or service  
23 charge for a credit card payment in addition to the fee.

24 (d) Revenue generated from the collection of discount or  
25 service charges under Subsection (c) shall be deposited to the  
26 credit of the state highway fund for use by the department in  
27 supporting the department's operations and the administration of

1 the department's functions.

2 Sec. 1001.010. AUTHORITY TO CONTRACT. (a) The department  
3 may enter into an interlocal contract with one or more local  
4 governments in accordance with Chapter 791, Government Code.

5 (b) The board by rule shall adopt policies and procedures  
6 consistent with applicable state procurement practices for  
7 soliciting and awarding a contract under this section.

8 Sec. 1001.011. EDUCATIONAL CAMPAIGNS AND TRAINING. The  
9 department may conduct public service educational campaigns  
10 related to its functions.

11 SECTION 36. Subchapter B, Chapter 1001, Transportation  
12 Code, is amended by adding Section 1001.0221 to read as follows:

13 Sec. 1001.0221. BOARD; DUTIES. (a) The board shall oversee  
14 and coordinate the development of the department and shall ensure  
15 that all components of the motor vehicle industry function as a  
16 system.

17 (b) The board shall carry out its policy-making functions in  
18 a manner that protects the interests of the public and industry,  
19 maintains a safe and sound motor vehicle industry, and increases  
20 the economic prosperity of the state.

21 SECTION 37. Section 1001.023, Transportation Code, is  
22 amended to read as follows:

23 Sec. 1001.023. CHAIR AND VICE CHAIR; DUTIES. (a) The  
24 governor shall appoint one of the board's members chair of the  
25 board. The chair serves at the pleasure of the governor. The board  
26 shall elect one of its members vice chair of the board. The [A  
27 ~~chair or~~ vice chair serves at the pleasure of the board.



1 (b) The chair shall:

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

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

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

8 (4) report to the board the governor's suggestions for  
9 department operations;

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

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

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

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

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

26 (10) serve as the departmental liaison with the  
27 governor and the Office of State-Federal Relations to maximize

1 federal funding for transportation.

2 SECTION 38. Section 1001.031, Transportation Code, is  
3 amended by amending Subsection (a) and adding Subsections (a-1) and  
4 (f) to read as follows:

5 (a) The board may [~~shall~~] establish [~~separate~~] advisory  
6 committees [~~for the motor carrier, motor vehicles, and vehicle~~  
7 ~~titles and registration divisions~~] to make recommendations to the  
8 board or the executive director [~~on the operation of the applicable~~  
9 ~~division~~]. A committee has the purposes, powers, and duties,  
10 including the manner of reporting its work, prescribed by the  
11 board. A committee and each committee member serves at the will of  
12 the board.

13 (a-1) Section 2110.002, Government Code, does not apply to  
14 an advisory committee established under this section.

15 (f) The meetings of an advisory committee shall be made  
16 accessible to the public in person or through electronic means.

17 SECTION 39. Subchapter C, Chapter 1001, Transportation  
18 Code, is amended by adding Section 1001.0411 to read as follows:

19 Sec. 1001.0411. EXECUTIVE DIRECTOR; DUTIES. (a) The board  
20 shall appoint an executive director to serve at the pleasure of the  
21 board. The executive director shall perform all duties assigned by  
22 the board.

23 (b) The executive director may delegate duties or  
24 responsibilities as the executive director considers appropriate,  
25 provided the delegation does not conflict with applicable law or a  
26 resolution of the board.

27 SECTION 40. Chapter 1001, Transportation Code, is amended

1 by adding Subchapter D to read as follows:

2 SUBCHAPTER D. ELECTRONIC ISSUANCE OF LICENSES

3 Sec. 1001.101. DEFINITIONS. In this subchapter:

4 (1) "Digital signature" means an electronic  
5 identifier intended by the person using it to have the same force  
6 and effect as the use of a manual signature.

7 (2) "License" includes:

8 (A) a motor carrier registration issued under  
9 Chapter 643;

10 (B) a motor vehicle dealer, salvage dealer,  
11 manufacturer, distributor, representative, converter, or agent  
12 license issued by the department;

13 (C) specially designated or specialized license  
14 plates issued under Chapter 504; and

15 (D) an apportioned registration issued according  
16 to the International Registration Plan under Section 502.054.

17 Sec. 1001.102. APPLICATION FOR AND ISSUANCE OF LICENSE.

18 The board by rule may provide for the filing of a license  
19 application and the issuance of a license by electronic means.

20 Sec. 1001.103. DIGITAL SIGNATURE. (a) A license  
21 application received by the department is considered signed if a  
22 digital signature is transmitted with the application and intended  
23 by the applicant to authenticate the license in accordance with  
24 Subsection (b).

25 (b) The department may only accept a digital signature used  
26 to authenticate a license application under procedures that:

27 (1) comply with any applicable rules of another state

1 agency having jurisdiction over department use or acceptance of a  
2 digital signature; and

3 (2) provide for consideration of factors that may  
4 affect a digital signature's reliability, including whether a  
5 digital signature is:

6 (A) unique to the person using it;

7 (B) capable of independent verification;

8 (C) under the sole control of the person using  
9 it; and

10 (D) transmitted in a manner that makes it  
11 infeasible to change the data in the communication or digital  
12 signature without invalidating the digital signature.

13 SECTION 41. Chapter 1003, Transportation Code, is amended  
14 by adding Section 1003.005 to read as follows:

15 Sec. 1003.005. DELEGATION OF POWER. (a) The board by rule  
16 may delegate any power relating to a contested case hearing, other  
17 than the power to issue a final order, to:

18 (1) one or more of the board's members;

19 (2) the executive director;

20 (3) the director of a division of the department; or

21 (4) one or more of the department's employees.

22 (b) The board by rule may delegate the authority to issue a  
23 final order in a contested case hearing to:

24 (1) one or more of the board's members;

25 (2) the executive director; or

26 (3) the director of a division within the department  
27 designated by the board or the executive director to carry out the

1 requirements of this chapter.

2 (c) The board by rule may delegate any power relating to a  
3 complaint investigation to any person employed by the department.

4 SECTION 42. Section 264.502(b), Family Code, is amended to  
5 read as follows:

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

- 9 (1) a criminal prosecutor involved in prosecuting  
10 crimes against children;
- 11 (2) a sheriff;
- 12 (3) a justice of the peace;
- 13 (4) a medical examiner;
- 14 (5) a police chief;
- 15 (6) a pediatrician experienced in diagnosing and  
16 treating child abuse and neglect;
- 17 (7) a child educator;
- 18 (8) a child mental health provider;
- 19 (9) a public health professional;
- 20 (10) a child protective services specialist;
- 21 (11) a sudden infant death syndrome family service  
22 provider;
- 23 (12) a neonatologist;
- 24 (13) a child advocate;
- 25 (14) a chief juvenile probation officer;
- 26 (15) a child abuse prevention specialist;
- 27 (16) a representative of the Department of Public

1 Safety; and

2 (17) a representative of the Texas Department of  
3 Transportation [~~Motor Vehicles~~].

4 SECTION 43. Section 2110.002, Government Code, is amended  
5 by adding Subsection (c) to read as follows:

6 (c) This section does not apply to an advisory committee  
7 established by the Texas Department of Motor Vehicles.

8 SECTION 44. (a) The following provisions are repealed:

9 (1) Section 2054.270, Government Code;

10 (2) Sections 2301.105, 2301.106, and 2301.206,  
11 Occupations Code;

12 (3) Sections 503.033(c), 1001.031(c) and (d), and  
13 1004.003, Transportation Code; and

14 (4) Sections 504.403, 504.404, and 504.406,  
15 Transportation Code.

16 (b) Section 6.03(c), Chapter 933 (H.B. 3097), Acts of the  
17 81st Legislature, Regular Session, 2009, is repealed.

18 SECTION 45. This Act takes effect September 1, 2011.

# ADOPTED

MAY 21 2011

  
Secretary of the Senate

COMMITTEE AMENDMENT NO. 1

BY: 

1 Amend C.S.H.B. 2017 (senate committee report) as follows:

2 (1) On page 7, line 47 to line 60, strike Subsection (b)  
3 and (c) and substitute the following:

4 (b) The department may collect a fee for processing a title  
5 or registration payment by electronic funds transfer, credit  
6 card, or debit card. The amount of the fee must not exceed the  
7 charges incurred by the state because of the use of the  
8 electronic funds transfer, credit card, or debit card.

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

13 (2) On page 12, line 68 by striking "may [~~shall~~] establish"  
14 and substituting "shall retain or establish one or more".

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 21, 2011**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2017** by McClendon (Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend various sections provisions of the Occupations Code and Transportation Code to update definitions and provisions relating to the organization, governance, duties and functions of the Texas Department of Motor Vehicles (DMV). The bill would allow the department to enter into inter-local contracts. The bill would also allow the department to conduct public service educational campaigns related to its functions. The bill would require DMV board advisory committee meetings to be accessible to the public. The bill would give the board the authority to establish rules to provide for the filing of a license application and the issuance of a license by electronic means. The bill would authorize the DMV board, by rule, to implement an electronic titling system. The bill would authorize DMV to assess a service charge for a credit card payment, the proceeds of which would be deposited to the State Highway Fund.

Based on the analysis of the Department of Motor Vehicles, it is assumed any costs or duties associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 601 Department of Transportation, 608 Department of Motor Vehicles, 313 Department of Information Resources

**LBB Staff:** JOB, KJG, MW, TG, RAN



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 19, 2011**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2017** by McClendon (Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.), **Committee Report 2nd House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend various sections provisions of the Occupations Code and Transportation Code to update definitions and provisions relating to the organization, governance, duties and functions of the Texas Department of Motor Vehicles (DMV). The bill would allow the department to enter into inter-local contracts. The bill would also allow the department to conduct public service educational campaigns related to its functions. The bill would require DMV board advisory committee meetings to be accessible to the public. The bill would give the board the authority to establish rules to provide for the filing of a license application and the issuance of a license by electronic means. The bill would authorize the DMV board, by rule, to implement an electronic titling system. The bill would authorize DMV to assess a service charge for a credit card payment, the proceeds of which would be deposited to the State Highway Fund.

Based on the analysis of the Department of Motor Vehicles, it is assumed any costs or duties associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 601 Department of Transportation, 608 Department of Motor Vehicles, 313 Department of Information Resources

**LBB Staff:** JOB, KJG, MW, TG, RAN

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 30, 2011**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2017** by McClendon (Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend various sections provisions of the Occupations Code and Transportation Code to update definitions and provisions relating to the organization, governance, duties and functions of the Texas Department of Motor Vehicles (DMV). The bill would allow the department to enter into inter-local contracts. The bill would also allow the department to conduct public service educational campaigns related to its functions. The bill would require DMV board advisory committee meetings to be accessible to the public. The bill would give the board the authority to establish rules to provide for the filing of a license application and the issuance of a license by electronic means. The bill would authorize DMV to assess a service charge for a credit card payment, the proceeds of which would be deposited to the State Highway Fund. The bill would amend Chapter 504, Transportation Code, relating the issuance of specialty license plates to certain state and federal officials and the number of sets of applicable specialty plates that may be issued to each type of official.

Based on the analysis of the Department of Motor Vehicles, it is assumed any costs or duties associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 608 Department of Motor Vehicles, 313 Department of Information Resources

**LBB Staff:** JOB, KJG, MW, TG, RAN

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 22, 2011**

**TO:** Honorable Larry Phillips, Chair, House Committee on Transportation

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2017** by McClendon (Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend various sections provisions of the Occupations Code and Transportation Code to update definitions and provisions relating to the organization, governance, duties and functions of the Texas Department of Motor Vehicles (DMV). The bill would allow the department to enter into inter-local contracts. The bill would also allow the department to conduct public service educational campaigns related to its functions. The bill would require DMV board advisory committee meetings to be accessible to the public. The bill would give the board the authority to establish rules to provide for the filing of a license application and the issuance of a license by electronic means. The bill would authorize DMV to assess a service charge for a credit card payment, the proceeds of which would be deposited to the State Highway Fund.

The bill would also exempt DMV from certain provisions in the Government Code relating to the use of Texas Online. Based on the analysis of the Department of Information Resources this provision could have a fiscal impact: however, based on information provided by DMV, it is assumed the agency would continue using TexasOnline services throughout the upcoming state fiscal biennium.

Based on the analysis of the Department of Motor Vehicles it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 313 Department of Information Resources, 608 Department of Motor Vehicles

**LBB Staff:** JOB, KJG, MW, TG, RAN