

**House Bill 2017**  
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SECTION 1. Section 2301.002, Occupations Code, is amended by adding Subdivisions (1-a) and (14-a) and amending Subdivisions (11), (16), (23), and (32) to read as follows:

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

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

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

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

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

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

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

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

(23) "Motor vehicle" means:

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

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

- (i) has as its primary purpose the transport of a person or persons or property;
- (ii) is not manufactured for use on public streets, roads, or highways; and
- (iii) meets the requirements for ~~[has been issued]~~ a certificate of title;

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

- (i) the transport of a person or persons, or property, on a public highway as its primary purpose; and
  - (ii) a gross vehicle weight rating of more than 16,000 pounds;
- or

(D) a towable recreational vehicle.

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

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

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

(C) is permanently built on a single chassis;

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

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

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

(a) Notwithstanding any other provision of law, the board has

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all powers necessary, incidental, or convenient to perform a power or duty expressly granted under this chapter, including the power to:

- (1) initiate and conduct proceedings, investigations, or hearings;
- (2) administer oaths;
- (3) receive evidence and pleadings;
- (4) issue subpoenas to compel the attendance of any person;
- (5) order the production of any tangible property, including papers, records, or other documents;
- (6) make findings of fact on all factual issues arising out of a proceeding initiated under this chapter;
- (7) specify and govern appearance, practice, and procedures before the board;
- (8) adopt rules and issue conclusions of law and decisions, including declaratory decisions or orders;
- (9) enter into contracts;
- (10) execute instruments;
- (11) retain counsel;
- (12) use the services of the attorney general and institute and direct the conduct of legal proceedings in any forum;
- (13) obtain other professional services as necessary and convenient;
- (14) impose a sanction for contempt;
- (15) assess and collect fees and costs, including attorney's fees;
- (16) issue, suspend, or revoke licenses;
- (17) prohibit and regulate acts and practices in connection with the distribution and sale of motor vehicles or warranty performance obligations;
- (18) issue cease and desist orders in the nature of temporary or permanent injunctions;
- (19) impose a civil penalty;

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- (20) enter an order requiring a person to:
- (A) repurchase property under Section 2301.465 and pay costs and expenses of a party in connection with an order entered under that section [~~Section 2301.465~~];
  - (B) perform an act other than the payment of money; or
  - (C) refrain from performing an act; and
- (21) enforce a board order.

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

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

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

- (1) one or more of the board's members;
- (2) the executive director;
- (3) the director; or
- (4) one or more of the department's employees.

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

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

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

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SECTION 4. Section 2301.252(b), Occupations Code, is amended to read as follows:

(b) For purposes of this section:

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

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

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

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

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

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

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

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

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

(c) A franchised dealer must apply for a separate license under this section for each separate and distinct dealership

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showroom as determined by the department [~~board~~]. Before changing a location, a dealer must obtain a new license for that location.

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

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

SECTION 6. Same as House version.

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

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

SECTION 7. Same as House version.

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

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amended to read as follows:

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

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

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

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

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

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

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

(c) The board [commission] by rule may implement a system under which licenses expire on various dates during the year. For a year in which a license expiration date is changed [If a license is issued or renewed for a term that is less than the period set under Subsection (a)], the fee for the license shall be prorated so that the license holder pays only that portion of

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

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

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

(c) The board [commission] by rule may implement a system under which licenses expire on various dates during the year. For a year in which a license expiration date is changed [If a license is issued or renewed for a term that is less than the period set under Subsection (a)], the fee for the license shall be prorated so that the license holder pays only that portion of

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the fee that is allocable to the number of months during which the license is valid. On renewal of the license on the new expiration date, the entire license renewal fee is payable.

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

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

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

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

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

- (1) violate a board rule;
- (2) aid or abet a person who violates this chapter, Chapter 503, Transportation Code, or a rule adopted under those chapters; or
- (3) use false, deceptive, or misleading advertising relating to the sale or lease of motor vehicles.

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

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the fee that is allocable to the number of months during which the license is valid. On renewal of the license on the new expiration date, the entire license renewal fee is payable.

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

SECTION 11. Same as House version.

SECTION 12. Same as House version.

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

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

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

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

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

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

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

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

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

(2) vehicle preparation and delivery obligations.

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

(a) Notwithstanding the terms of any franchise, a manufacturer, distributor, or representative may not modify or replace a franchise if the modification or replacement would adversely affect to a substantial degree the dealer's sales, investment, or obligations to provide service to the public,

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SECTION 14. Same as House version.

SECTION 15. Same as House version.

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unless:

- (1) the manufacturer, distributor, or representative provides written notice by registered or certified mail to each affected dealer and the department [~~board~~] of the modification or replacement; and
- (2) if a protest is filed under this section, the board approves the modification or replacement.

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

- (c) Except as provided by this section, a manufacturer or distributor may not directly or indirectly:
- (1) own an interest in a franchised or nonfranchised dealer or dealership;
  - (2) operate or control a franchised or nonfranchised dealer or dealership; or
  - (3) act in the capacity of a franchised or nonfranchised dealer.

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

- (2) "Owner" means a person who is entitled to enforce a manufacturer's warranty with respect to a motor vehicle, and who:
- (A) purchased the [~~a~~] motor vehicle at retail from a license holder [~~and is entitled to enforce a manufacturer's warranty with respect to the vehicle~~];
  - (B) is a lessor or lessee, other than a sublessee, who purchased or leased the vehicle from a license holder; [~~or~~]
  - (C) is a resident of this state and has registered the vehicle in this state;
  - (D) purchased or leased the vehicle at retail and is an active

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SECTION 17. Same as House version.

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duty member of the United States armed forces stationed in this state at the time a proceeding is commenced under this subchapter; or

(E) is:

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

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

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

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

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

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

SECTION 18. Same as House version.

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

(a) The department [~~board~~] shall prepare, publish, and distribute information concerning an owner's rights under this subchapter. The retail seller of a new motor vehicle shall conspicuously post a copy of the information in the area where its customers usually pay for repairs.

SECTION 19. Same as House version.

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

Sec. 2301.711. ORDERS AND DECISIONS. [~~(a)~~] An order

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or decision of the board must:

- (1) include a separate finding of fact with respect to each specific issue the board is required by law to consider in reaching a decision;
- (2) set forth additional findings of fact and conclusions of law on which the order or decision is based; ~~and~~
- (3) give the reasons for the particular actions taken;
- ~~(4) [-~~  
~~[(b) Except as provided by Subchapter M, the order or decision must:~~  
~~(4)]~~ be signed by the presiding officer or assistant presiding officer for the board;
- ~~(5) [(2)]~~ be attested to by the director; and
- ~~(6) [(3)]~~ have the seal affixed to it.

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

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

**No equivalent provision.**

SECTION 21. Same as House version.

SECTION 22. Section 501.023, Transportation Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (e) to read as follows:

- (a) The owner of a motor vehicle must present identification and apply for a [certificate of] title as prescribed by the department, unless otherwise exempted by law. To obtain a title, the owner must apply:
  - (1) to the county assessor-collector in the county in which:
    - (A) the owner is domiciled; or

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(B) the motor vehicle is purchased or encumbered; ~~or [and]~~  
(2) if the county in which the owner resides has been declared by the governor as a disaster area, to the county assessor-collector in one of the closest unaffected counties to a county that asks for assistance and:  
(A) continues to be declared by the governor as a disaster area because the county has been rendered inoperable by the disaster; and  
(B) is inoperable for a protracted period of time [on a form prescribed by the department].  
(b) The assessor-collector shall send the application to the department or enter it into the department's titling system within 72 [not later than 24] hours after receipt of [receiving] the application.  
(c) The owner or a lessee of a commercial motor vehicle operating under the International Registration Plan or other agreement described by Section 502.054 that is applying for a ~~[certificate of]~~ title for purposes of registration only may apply [must be made] directly to the department. Notwithstanding Section 501.138(a), an applicant for registration under this subsection shall pay ~~[the department]~~ the fee imposed by that section. The ~~[department shall send the]~~ fee shall be distributed to the appropriate county assessor-collector ~~[for distribution]~~ in the manner provided by Section 501.138.  
(e) Applications submitted to the department electronically must request the purchaser's choice of county as stated in Subsection (a) as the recipient of all taxes, fees, and other revenue collected as a result of the transaction.

No equivalent provision.

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

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SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

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

Sec. 501.172. DEFINITIONS. In this subchapter:

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

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

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

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

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

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

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

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

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

(c) A requirement that a document or a signature associated

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with a document be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if the electronic signature of the person authorized to perform that act, and all other information required to be included, is attached to or logically associated with the document or signature. A physical or electronic image of a stamp, impression, or seal is not required to accompany an electronic signature.

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

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

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

(3) convert into electronic form:

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

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

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

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

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

(c) For online transactions the department may collect from a

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person making payment by electronic funds transfer, credit card, or debit card an amount equal to any fee charged in accordance with Government Code, Section 2054.2591.

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

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

Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify, limit, or supersede Section 101(c) of that Act (15 U.S.C. Section 7001(c)) or authorize electronic delivery of any of the notices described in Section 103(b) of that Act (15 U.S.C. Section 7003(b)). [FA1(1)]

No equivalent provision.

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

Sec. 502.002. REGISTRATION REQUIRED; GENERAL RULE. (a) Not more than 30 days after purchasing a vehicle or becoming a resident of this state, the [The] owner of a



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motor vehicle, trailer, or semitrailer shall apply for the registration of the vehicle for:

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

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

(b) The application must be accompanied by personal identification as determined by department rule and made in a manner prescribed by [†] the department;

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

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

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

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

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

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

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

(2) registering a motor vehicle under this section.

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SECTION 25. Section 502.151, Transportation Code, is

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amended to read as follows:

Sec. 502.151. APPLICATION FOR REGISTRATION. (a)

An application for vehicle registration must:

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

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

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

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

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

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

~~[(1) trade name;~~

~~[(2) year model;~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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SECTION 22. Section 503.011, Transportation Code, is amended to read as follows:

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

SECTION 26. Same as House version.

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

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

SECTION 27. Same as House version.

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

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

SECTION 28. Same as House version.

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

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

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

(b) The ~~;~~ ~~and~~

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

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

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

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

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

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

(1) a member of the legislature;

(2) the governor;

(3) the lieutenant governor;

(4) ~~[a justice of the supreme court;~~

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

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

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SECTION 29. Same as House version.

CONFERENCE

No equivalent provision.

No equivalent provision.

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- ~~(5) [(7)]~~ the commissioner of the General Land Office;
- ~~(6) [(8)]~~ the comptroller;
- ~~(7) [(9)]~~ a member of the Railroad Commission of Texas;
- ~~(8) [(10)]~~ the commissioner of agriculture;
- ~~(9) [(11)]~~ the secretary of state; or
- ~~(10) [(12)]~~ a member of the State Board of Education.

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

No equivalent provision.

Sec. 504.4015. STATE OFFICIALS: JUDICIAL BRANCH.

(a) The department shall issue without charge specialty license plates to a current state judge. The license plates must include the words "State Judge."

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

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

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

(1) a justice of the supreme court;

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

(3) a judge of a court of appeals;

(4) a district court judge;

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

(6) a statutory county court judge.

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

No equivalent provision.

Sec. 504.402. FEDERAL OFFICIALS: MEMBERS OF CONGRESS.

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

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

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

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

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

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

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

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

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

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

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

Sec. 504.405. COUNTY OFFICIALS: COUNTY JUDGES.

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

(b) A person may be issued two [~~three~~] sets of license plates

SENATE VERSION (IE)

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

CONFERENCE

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under this section.

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

No equivalent provision.

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

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

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

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

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

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

No equivalent provision.

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

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



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(b) An assessor-collector who fails or refuses to comply with Chapter 501 ~~[this chapter]~~ is liable on the assessor-collector's official bond for resulting damages suffered by any person.

(c) The assessor-collector may license franchised and nonfranchised motor vehicle dealers to title and register motor vehicles in accordance with rules adopted under Section 520.004. The county assessor-collector may pay a fee to a motor vehicle dealer independent of or as part of the portion of the fees that would be collected by the county for each title and registration receipt issued.

No equivalent provision.

SECTION 32. Section 502.109, Transportation Code, is transferred to Subchapter A, Chapter 520, Transportation Code, redesignated as Section 520.006, Transportation Code, and amended to read as follows:

Sec. 520.006 ~~[502.109]~~. COMPENSATION OF ASSESSOR-COLLECTOR. (a) A county assessor-collector shall receive a fee of \$1.90 for each receipt issued under Chapter 502 ~~[this chapter]~~. ~~If the assessor-collector may be compensated by fees, a fee received is compensation for services under this chapter. The assessor-collector shall deduct the fee weekly from the gross collections made under this chapter].~~

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

(b) A county assessor-collector who is compensated under this section shall pay the entire expense of issuing registration receipts and license plates under Chapter 501 or 502 ~~[this chapter]~~ from the compensation allowed under this section.

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

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

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

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

~~[(1) administration;~~

~~[(2) motor carriers;~~

~~[(3) motor vehicle board; and~~

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

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

Sec. 1001.007. PROTECTION AND USE OF INTELLECTUAL PROPERTY AND PUBLICATIONS. (a)

The department may:

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

(A) a literary work;

(B) a logo;

SECTION 33. Same as House version.

SECTION 34. Same as House version.

SECTION 35. Same as House version.

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(C) a service mark;  
(D) a study;  
(E) a map or planning document;  
(F) a graphic design;  
(G) a manual;  
(H) automated systems software;  
(I) an audiovisual work; or  
(J) a sound recording;  
(2) enter into an exclusive or nonexclusive license agreement with a third party for the receipt of a fee, royalty, or other thing of monetary or nonmonetary value for the benefit of the department;  
(3) waive or reduce the amount of a fee, royalty, or other thing of monetary or nonmonetary value to be assessed if the department determines that the waiver will:  
(A) further the goals and missions of the department; and  
(B) result in a net benefit to the state; and  
(4) adopt and enforce rules necessary to implement this section.  
(b) Money collected by the department under this section shall be deposited to the credit of the state highway fund for use by the department in supporting the department's operations and the administration of the department's functions.  
Sec. 1001.008. DONATIONS AND CONTRIBUTIONS. (a) Except as provided by Subsection (b), for the purpose of carrying out its functions and duties, the board may accept a donation or contribution in any form, including real or personal property, money, materials, or services.  
(b) The board may not accept a donation or contribution from an entity or association of entities that it regulates.  
(c) The board by rule may delegate acceptance of donations or contributions under \$500, or not otherwise required to be

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acknowledged in an open meeting, to the executive director.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) The chair shall:

- (1) preside over board meetings, make rulings on motions and points of order, and determine the order of business;
- (2) represent the department in dealing with the governor;
- (3) report to the governor on the state of affairs of the department at least quarterly;
- (4) report to the board the governor's suggestions for department operations;
- (5) report to the governor on efforts, including legislative requirements, to maximize the efficiency of department operations through the use of private enterprise;

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

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

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

SECTION 37. Same as House version.

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- (6) periodically review the department's organizational structure and submit recommendations for structural changes to the governor, the board, and the Legislative Budget Board;
- (7) designate one or more employees of the department as a civil rights division of the department and receive regular reports from the division on the department's efforts to comply with civil rights legislation and administrative rules;
- (8) create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole;
- (9) appoint a member of the board to act in the ~~chair's~~ absence of the chair and vice chair; and
- (10) serve as the departmental liaison with the governor and the Office of State-Federal Relations to maximize federal funding for transportation.

SECTION 39. Section 1001.031, Transportation Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (f) to read as follows:

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

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

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

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SECTION 38. Same as House version. [FA1(2) reverts the text to the House engrossed version.]

CONFERENCE

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

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

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

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

SUBCHAPTER D. ELECTRONIC ISSUANCE OF LICENSES

Sec. 1001.101. DEFINITIONS. In this subchapter:

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

(2) "License" includes:

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

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

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

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

Sec. 1001.102. APPLICATION FOR AND ISSUANCE OF LICENSE. The board by rule may provide for the filing of a license application and the issuance of a license by electronic

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SECTION 39. Same as House version.

SECTION 40. Same as House version.

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means.

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

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

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

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

(A) unique to the person using it;

(B) capable of independent verification;

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

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

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

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

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

(2) the executive director;

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

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

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

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- (1) one or more of the board's members;
- (2) the executive director; or
- (3) the director of a division within the department designated by the board or the executive director to carry out the requirements of this chapter.
- (c) The board by rule may delegate any power relating to a complaint investigation to any person employed by the department.

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

- (b) The members of the committee who serve under Subsections (a)(1) through (3) shall select the following additional committee members:
  - (1) a criminal prosecutor involved in prosecuting crimes against children;
  - (2) a sheriff;
  - (3) a justice of the peace;
  - (4) a medical examiner;
  - (5) a police chief;
  - (6) a pediatrician experienced in diagnosing and treating child abuse and neglect;
  - (7) a child educator;
  - (8) a child mental health provider;
  - (9) a public health professional;
  - (10) a child protective services specialist;
  - (11) a sudden infant death syndrome family service provider;
  - (12) a neonatologist;
  - (13) a child advocate;
  - (14) a chief juvenile probation officer;
  - (15) a child abuse prevention specialist;
  - (16) a representative of the Department of Public Safety; and

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SECTION 42. Same as House version.

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

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

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

SECTION 43. Same as House version.

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

- (1) Section 2054.270, Government Code;
- (2) Sections 2301.105, 2301.106, and 2301.206, Occupations Code;
- (3) Sections 503.033(c), 1001.031(c) and (d), and 1004.003, Transportation Code; and
- (4) Sections 504.403, 504.404, and 504.406, Transportation Code.

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

SECTION 44. Same as House version.

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

SECTION 45. Same as House version.