1-1 By: Phillips (Senate Sponsor - Nichols)
1-2 (In the Senate - Received from the House May 6, 2013;
1-3 May 7, 2013, read first time and referred to Committee on
1-4 Transportation; May 14, 2013, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
1-6 May 14, 2013, sent to printer.)

1-7 COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Nichols	X	-		
1-10	Paxton			X	
1-11	Campbell			X	
1-12	Davis	X			
1-13	Ellis	X			
1-14	Hancock	X			
1-15	Patrick	X			
1-16	Uresti	X			
1-17	Watson	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 2741

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By: Nichols

1-19 A BILL TO BE ENTITLED AN ACT

1-21 relating to the regulation of motor vehicles by counties and the 1-22 Texas Department of Motor Vehicles; authorizing a fee; creating an 1-23 offense.

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

SECTION 1. Section 348.005, Finance Code, is amended to read as follows:

Sec. 348.005. ITEMIZED CHARGE. An amount in a retail installment contract is an itemized charge if the amount is not included in the cash price and is the amount of:

- (1) fees for registration, certificate of title, and license and any additional registration fees charged by a [full service] deputy as authorized by rules adopted under Section 520.0071 [502.114], Transportation Code;
  - (2) any taxes;
- (3) fees or charges prescribed by law and connected with the sale or inspection of the motor vehicle; and
- (4) charges authorized for insurance, service contracts, warranties, or a debt cancellation agreement by Subchapter C.

SECTION 2. Section 353.006, Finance Code, is amended to read as follows:

Sec. 353.006. ITEMIZED CHARGE. An amount in a retail installment contract is an itemized charge if the amount is not included in the cash price and is the amount of:

- (1) fees for registration, certificate of title, and license and any additional registration fees charged by a [full service] deputy as authorized by rules adopted under Section 520.0071 [502.114], Transportation Code;
  - (2) any taxes;
- (3) fees or charges prescribed by law and connected with the sale or inspection of the commercial vehicle;
- (4) charges authorized for insurance, service contracts, and warranties by Subchapter C; and
- 1-54 (5) advances or payments authorized under Section 1-55 353.402(b) or (c) made by the retail seller to or for the benefit of 1-56 the retail buyer. 1-57 SECTION 3. Section 418.016, Government Code, is amended by

SECTION 3. Section 418.016, Government Code, is amended by adding Subsections (f), (g), and (h) to read as follows:

1-59 <u>(f) The governor may suspend any of the following</u> 1-60 requirements in response to an emergency or disaster declaration of

another jurisdiction if strict compliance with the requirement would prevent, hinder, or delay necessary action in assisting 2-1 2-2 another state with coping with an emergency or disaster: 2-3 2-4

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(1) a registration requirement in an agreement entered the International Registration Plan under Section under 502.091, Transportation Code, to the extent authorized by federal law;

a temporary registration permit requirement under Section 502.094, Transportation Code;

(3) a provision of Subtitle E, Title 7, Transportation Code, to the extent authorized by federal law;

(4) a motor carrier registration requirement under Transportation Code;

(5) a registration requirement under Chapter

Transportation Code, to the extent authorized by federal law; or (6) a fuel tax requirement under the International Fuel Tax Agreement described by 49 U.S.C. Section 31701 et seq., to the extent authorized by federal law.

(g) For the purposes of Subsection (f), "emergency or disaster declaration of another jurisdiction" means an emergency declaration, a major disaster declaration, a state of emergency declaration, a state of disaster declaration, or a similar declaration made by:

(1) the president of the United States under Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Section 5121 et seq.); or

(2) the governor of another state.

To the extent federal law requires this state to issue a special permit under 23 U.S.C. Section 127 or an executive order, a suspension issued under Subsection (f) is a special permit or an executive order.

SECTION 4. Section 1201.206(f), Occupations Code, is amended to read as follows:

(f) If the owner of a manufactured home relocates the home, the owner shall apply for the issuance of a new statement of ownership and location not later than the 60th day after the date the home is relocated. The department shall require that the owner submit evidence that the home was relocated in accordance with the requirements of the Texas Department of Motor Vehicles [Transportation].

SECTION 5. 2301.002(12), Occupations Section Code, amended to read as follows:

(12) "Division" means the [Motor Vehicle Division of the] department division that regulates the distribution and sale of motor vehicles.

The heading to Subchapter C, Chapter 2301, SECTION 6. Occupations Code, is amended to read as follows:

SUBCHAPTER C. [DIRECTOR AND OTHER] DIVISION PERSONNEL

SECTION 7. Section 2301.154, Occupations Code, is amended by amending Subsections (b) and (c) and adding Subsection (e) to read as follows:

- (b) The board by rule may delegate any power relating to a contested case hearing brought under this chapter or Chapter 503, Transportation Code, other than the power to issue a final order,
  - one or more of the board's members; (1)
  - the executive director; (2)
  - (3)the director; or

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

The board by rule may delegate the authority to issue a final order in a contested case hearing brought under this chapter or Chapter 503, Transportation Code, to:

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

(2) the executive director; or

the director of a division within the department designated by the board or the executive director to carry out the requirements of this chapter.

An action taken by a person to whom a power or other (e) authority is delegated under Subsection (b) or (c), including the

3-1 issuance of an order, is considered an action of the board and may
3-2 not be appealed to the board.
3-3 SECUTION 9 Section 2301 257(2)

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3**-**64 3**-**65

3**-**66 3**-**67 SECTION 8. Section 2301.257(a), Occupations Code, is amended to read as follows:

- (a) An application for a dealer's license must be on a form prescribed by the department. 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 board determines by rule is [department considers] necessary to determine the applicant's qualifications to adequately serve the public.

SECTION 9. Sections 2301.260(a) and (b), Occupations Code, are amended to read as follows:

- (a) An application for a distributor's license must disclose:
- (1) the manufacturer for whom the distributor will act:
- (2) whether the manufacturer is licensed in this state;
- (3) [the warranty covering the motor vehicles to be sold;

 $[\frac{(4)}{4}]$  the persons in this state who will be responsible for compliance with the warranty covering the motor vehicles to be sold;

(4) (5) the terms of the contract under which the distributor will act for the manufacturer; and

(5) [(6)] the franchised dealers with whom the distributor will do business.

(b) An applicant for a distributor's license that has a responsibility under a warranty agreement must include a statement regarding the manufacturer's compliance with Subchapter I and Sections 2301.451-2301.476 [provide the same information relating to the agreement as is provided by an applicant for a manufacturer's license under Section 2301.259].

SECTION 10. Section 2301.264(d), Occupations Code, is amended to read as follows:

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

SECTION 11. Section 2301.301(b), Occupations Code, is amended to read as follows:

(b) The <u>department</u> [board] 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.

SECTION 12. Section 2301.303, Occupations Code, is amended to read as follows:

Sec. 2301.303. RENEWAL OF DEALER'S LICENSE. A dealer shall renew the dealer's license on an application prescribed by the department [director]. The department [director] shall include in the renewal application a request for disclosure of material changes described by Section 2301.257.

SECTION 13. Section 2301.353, Occupations Code, is amended to read as follows:

Sec. 2301.353. PROHIBITION: PERFORMANCE OF OBLIGATION UNDER AGREEMENT WITH MANUFACTURER. A franchised dealer may not fail to perform an obligation placed on:

- (1) the selling dealer in connection with the preparation and delivery of a new motor vehicle for retail sale as provided in the manufacturer's preparation and delivery agreements [on file with the board] that are applicable to the vehicle; or
- (2) the dealer in connection with the manufacturer's warranty agreements [on file with the board].

3-68 SECTION 14. Section 2301.358(a), Occupations Code, is 3-69 amended to read as follows:

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

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- (1) the person provides the department with written notice [at least 30 days] before the date the show or exhibition opens; and
  - (2) the department grants written approval.

4-8 SECTION 15. Section 2301.401, Occupations Code, is amended 4-9 to read as follows: 4-10 4-11

Sec. 2301.401. WARRANTY, PREPARATION, AND DELIVERY [FILING] REQUIREMENTS. (a) On request, a [A] manufacturer or distributor shall provide to [file with] the department a copy of the current requirements the manufacturer or distributor imposes on its dealers with respect to the dealer's:

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

(2) vehicle preparation and delivery obligations.

Warranty or preparation and delivery requirements placed on a dealer by a manufacturer are not enforceable unless the requirements are reasonable [and are disclosed and filed as required by Subsection (a)].

SECTION 16. Section 2301.460, Occupations Code, is amended to read as follows:

Sec. 2301.460. WARRANTY, PREPARATION, OR DELIVERY AGREEMENT OBLIGATIONS. Notwithstanding the terms of any franchise, DELIVERY a manufacturer, distributor, or representative may not, after a complaint and a hearing, fail or refuse to perform an obligation placed on the manufacturer in connection with the preparation, delivery, and warranty of a new motor vehicle as provided in the manufacturer's warranty, preparation, and delivery agreements [on file with the board].

SECTION 17. Section 2301.461(a), Occupations amended to read as follows:

(a) Notwithstanding the terms of any franchise or any other law, a franchised dealer's preparation, delivery, and warranty obligations [as filed with the board] are the dealer's sole responsibility for product liability as between the dealer and a manufacturer or distributor.

SECTION 18. Section 2301.4651(a), Occupations Code, amended to read as follows:

(a) This section applies to a manufacturer, distributor, or representative that [+

 $[\frac{1}{1}]$  terminates or discontinues a franchise by  $[\frac{1}{1}]$ means without complying with Section 2301.453; or [(2) regardless of whether the

manufacturer, distributor, or representative complies with Section 2301.453, terminates or discontinues a franchise by]:

distribution of its products in this state.

SECTION 19. Sections 2301.606(b) and (c), Occupations Code, are amended to read as follows:

- (b) In a hearing [before the director] under this subchapter, a manufacturer, converter, or distributor may plead and prove as an affirmative defense to a remedy under this subchapter that a nonconformity:
- (1) is the result of abuse, neglect, or unauthorized modification or alteration of the motor vehicle; or
- (2) does not substantially impair the use or market value of the motor vehicle.
- (c) The board or a person delegated power from the board under Section 2301.154 [director] may not issue an order requiring a manufacturer, converter, or distributor to make a refund or to replace a motor vehicle unless:
- (1) the owner or a person on behalf of the owner has mailed written notice of the alleged defect or nonconformity to the manufacturer, converter, or distributor; and
  - (2) the manufacturer, converter, or distributor has

5--1 been given an opportunity to cure the alleged defect or 5--2 nonconformity.

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SECTION 20. Section 2301.607(c), Occupations Code, is amended to read as follows:

(c) If [the administrative law judge does not issue] a proposal for decision and recommendation for [recommend to the director] a final order are not issued before the 151st day after the date a complaint is filed under this subchapter, the department [director] shall provide written notice by certified mail to the complainant and to the manufacturer, converter, or distributor of the expiration of the 150-day period and of the complainant's right to file a civil action. The board or a person delegated power from the board under Section 2301.154 shall extend the 150-day period if a delay is requested or caused by the person who filed the complaint.

SECTION 21. Section 2301.608, Occupations Code, is amended to read as follows:

- Sec. 2301.608. ASSESSMENT OF COSTS FOR REPLACEMENT OR REFUND. (a) In an order issued under this subchapter, the <u>board or a person delegated power from the board under Section 2301.154</u> [director] shall name the person responsible for paying the cost of any refund or replacement. A manufacturer, converter, or distributor may not cause a franchised dealer to directly or indirectly pay any money not specifically ordered by the <u>board or a person delegated power from the board under Section 2301.154</u> [director].
- (b) If the board or a person delegated power from the board under Section 2301.154 [director] orders a manufacturer, converter, or distributor to make a refund or replace a motor vehicle under this subchapter, the board or person [director] may order the franchised dealer to reimburse the owner, lienholder, manufacturer, converter, or distributor only for an item or option added to the vehicle by the dealer to the extent that the item or option contributed to the defect that served as the basis for the order.
- (c) In a case involving a leased vehicle, the <u>board or a person delegated power from the board under Section 2301.154</u> [director] may terminate the lease and apportion allowances or refunds, including the reasonable allowance for use, between the lessee and lessor of the vehicle.

SECTION 22. Section 2301.609(a), Occupations Code, is amended to read as follows:

(a) A party to a proceeding [before the director] under this subchapter that is affected by a final order related to the proceeding [of the director] is entitled to judicial review of the order under the substantial evidence rule in a district court of Travis County.

SECTION 23. Sections 2301.610(a) and (d), Occupations Code, are amended to read as follows:

- (a) A manufacturer, distributor, or converter that has been ordered to repurchase or replace a vehicle shall, through its franchised dealer, issue a disclosure statement stating that the vehicle was repurchased or replaced by the manufacturer, distributor, or converter under this subchapter. The statement must accompany the vehicle through the first retail purchase following the issuance of the statement and must include the [board's] toll-free telephone number described by Subsection (d) that will enable the purchaser to obtain information about the condition or defect that was the basis of the order for repurchase or replacement.
- (d) The <u>department</u> [board] shall maintain a toll-free telephone number to provide information to a person who requests information about a condition or defect that was the basis for repurchase or replacement by an order <u>issued under this chapter</u> [of the director]. The <u>department</u> [board] shall maintain an effective method of providing information to a person who makes a request.

SECTION 24. Section 2301.651(d), Occupations Code, is amended to read as follows:

(d) A license may not be denied, revoked, or suspended, and

disciplinary action may not be taken under this subchapter, unless 6-1 the respondent is given an opportunity for a hearing. The board may 6-2 deny, revoke, or suspend a license or take disciplinary action by [except on] order only [of the board] after the department grants 6-3 6-4 6**-**5

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the respondent an opportunity for a hearing. SECTION 25. Section 2301.703(a), 2301.703(a), Occupations Code, amended to read as follows:

(a) A hearing [shall be conducted in any contested case] arising under this chapter or a board rule  $\underline{ado}$ pted under this chapter[. The hearing] must be conducted in accordance with this
chapter, any order, decision, or rule of the board, and Chapter 2001, Government Code.

SECTION 26. Section 2301.709, Occupations Code, is amended to read as follows:

Sec. 2301.709. [PROPOSED DECISION;] REVIEW BY BOARD. [In a contested case, the administrative law judge shall serve on each party a copy of the administrative law judge's proposal for decision and recommended order containing findings of fact and conclusions of law. A party may file exceptions and replies to the board.

In reviewing a [the] case under this subchapter, the board or a person delegated power from the board under Section 2301.154 may consider only materials that are submitted timely.

 $\overline{(b)}$  [ $\overline{(c)}$ ] The board or a person delegated power from the board under Section 2301.154 may hear such oral argument from any party as the board may allow.

(c) [<del>(d)</del>] The board or a person delegated power from the board under Section 2301.154 shall take any further action conducive to the issuance of a final order and shall issue a written final decision or order. A majority vote of a quorum of the board is required to adopt a final decision or order of the board.

SECTION  $\overline{27}$ . Section 2301.710, Occupations Code, is amended to read as follows:

Sec. 2301.710. DISMISSAL OF COMPLAINT. On the motion of any party, the board or other person delegated final order authority under Section 2301.154, without holding a contested case hearing, may issue a final order dismissing a complaint, protest, or response in accordance with the terms and procedures set forth in [<del>Rule 166a,</del>] the Texas Rules of Civil Procedure[— <del>successor</del>].

SECTION 28. Section 2301.711, Occupations Code, is amended to read as follows:

Sec. 2301.711. ORDERS AND DECISIONS. (a) The board or other person delegated final order authority under Section 2301.154 shall issue final orders for the implementation and enforcement of this chapter and Chapter 503, Transportation Code.

An order or decision under this chapter [of the board] (b) must:

- (1) include a separate finding of fact with respect to each specific issue [ $\frac{1}{2}$  the board is] required by law to  $\frac{1}{2}$  be considered [consider] in reaching a decision;
- (2) set forth additional findings of fact conclusions of law on which the order or decision is based;
- give the reasons for the particular actions taken; (3) and
- (4) be signed by the presiding officer or assistant presiding officer for the board or other person delegated final order authority under Section 2301.154[+

[(5) be attested to by the director; and [(6) have the seal affixed to it].

SECTION 29. Section 2301.712(b), Occupations Code. amended to read as follows:

(b) If a person who brings a complaint under Subchapter M prevails in the case, the board or a person delegated power from the board under Section 2301.154 shall order the nonprevailing party in the case to reimburse the amount of the filing fee for the case.

SECTION 30. Section 2301.713, Occupations Code, is amended to read as follows:

Sec. 2301.713. REHEARING. (a) Except as provided by

Subsection (b), a [A] party who seeks a rehearing of an order shall seek the rehearing in accordance with Chapter 2001, Government Code.

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The board by rule may establish a procedure to allow (b) parties to contested cases in which the final order is issued by a person to whom final order authority is delegated under Section 2301.154 to file motions for rehearing with the board.

SECTION 31. 2301.751(a), Section Occupations amended to read as follows:

- (a) A party to a proceeding affected by a final order, rule, or decision or other final action of the board [ $\frac{1}{2}$  or decision] this chapter or under another law] with respect to a matter arising under this chapter or Chapter 503, Transportation Code, may seek judicial review of the action under the substantial evidence rule in:
  - (1)a district court in Travis County; or
- the court of appeals for the Third Court of Appeals District.

SECTION 32. Section 2301.752(b), Occupations Code, amended to read as follows:

(b) Citation for an appeal must be served on the executive director or the executive director's designee and each party of record in the matter. For an appeal initiated in the court of appeals, the court shall cause the citation to be issued.

SECTION 33. Sections 2301.802(d) and (e), Occupations Code, are amended to read as follows:

- (d) An interlocutory cease and desist order remains in effect until vacated or incorporated in a final order [of the board]. An appeal of an interlocutory cease and desist order must be made to the board before seeking judicial review as provided by this chapter.
- (e) A permanent cease and desist order may be issued regardless of the requirements of Subsection (b) but only under the procedures for a final order [by the board] under this chapter. An appeal of a permanent cease and desist order is made in the same manner as an appeal of a final order under this chapter.

SECTION 34. 2301.803(a), Occupations Section amended to read as follows:

- (a) On the initiation of a [board] proceeding under this chapter or Chapter 503, Transportation Code, whether by complaint, protest, or otherwise, a person who receives notice from the board of a statutory stay imposed by this chapter may not allow or commit any act or omission that would:
- (1) violate this chapter, Chapter 503, Transportation Code, [or] any rule, order, or decision of the board, or an order or decision of a person delegated power from the board under Section 2301.154;
- (2) affect a legal right, duty, or privilege of any party to a proceeding under this chapter or Chapter 503, Transportation Code [before the board]; or

  (3) tend to render ineffectual an [a board] order in a
- pending proceeding.
  SECTION 35. Sections 2301.804(a) and (b), Occupations Code,

are amended to read as follows:

- (a) If it appears that a person has violated, is violating, or is threatening to violate this chapter, <u>Chapter 503</u>, <u>Transportation Code</u>, [or] a board rule <u>adopted under this chapter</u> or Chapter 503, Transportation Code, or an order issued under this chapter or Chapter 503, Transportation Code, the board or the executive director, if authorized by the presiding officer of the board, may cause a suit to be instituted in a court for:
- (1) injunctive relief to restrain the person from committing the violation or threat of violation;
  - imposition of a civil penalty; or (2)
- (3) both injunctive relief and a civil penalty.

  (b) At the request of the board or the executive director, if authorized by the presiding officer of the board, the attorney 7-66 7-67 general shall bring in the name of the state a suit for an 7-68 injunction or a civil penalty as described by Subsection (a). 7-69

Section 2302.103(a), Occupations 8-1 SECTION 36. Code, amended to read as follows: 8-2

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To apply for a salvage vehicle dealer license, a person (a) must submit to the department an application on a form prescribed by the department[. The application must be signed by the applicant] and [accompanied by] the application fee.

SECTION 37. Section 2305.001, Occupations Code, is amended

by adding Subdivisions (5) and (6) to read as follows:

(5) "Board" means the board of the Texas Department of Motor Vehicles.

"Department" means the Texas Department of Motor (6) <u>Veh</u>icles

SECTION 38. Section 2305.007(a), Occupations amended to read as follows:

- (a) Except as provided by Subsection (b), for the purpose of enforcing or administering this chapter, Chapter 2302 of this code, or Chapter 501 or 502, Transportation Code, a member of the board [Texas Transportation Commission], an employee of the department [Texas Transportation Commission <del>or Texas Department</del> Transportation], a member of the Public Safety Commission, an officer of the Department of Public Safety, or another peace officer who is interested in tracing or locating a stolen motor vehicle may at a reasonable time:
- enter the premises of a business regulated under (1)one of those chapters; and
- (2) inspect or copy any document, record, vehicle, part, or other item regulated under one of those chapters.

SECTION 39. The heading to Subchapter L, Chapter 201, Transportation Code, is amended to read as follows:

SUBCHAPTER L. ELECTRONIC ISSUANCE OF <u>OUTDOOR ADVERTISING</u> LICENSES SECTION 40. Section 201.931(2), Transportation Code, is amended to read as follows:

"License" means [includes: (2)

[(A) a permit issued by the department that authorizes the operation of a vehicle and its load or a combination of vehicles and load exceeding size or recipit limit. of vehicles and load exceeding size or weight limitations; and

[<del>(B)</del>] a license or permit for outdoor advertising issued under Chapter 391 or 394.

SECTION  $4\overline{1}$ . Section 501.021(a), Transportation Code, is amended to read as follows:

- A motor vehicle title issued by the department must (a) include:
- (1)the <u>legal</u> name and address of each purchaser and seller at the first sale or a subsequent sale;
  - (2) the make of the motor vehicle;
  - (3)the body type of the vehicle;
- manufacturer's permanent (4)the identification number of the vehicle or the vehicle's motor number if the vehicle was manufactured before the date that stamping a permanent identification number on a motor vehicle was universally adopted;
  - the serial number for the vehicle;
- (6) the name and address of each lienholder and the date of each lien on the vehicle, listed in the chronological order
- in which the lien was recorded;
  (7) a statement indicating rights of survivorship under Section 501.031;
- (8) if the vehicle has an odometer, the odometer reading at the time of application for the title; and
- (9) any other information required by the department. SECTION 42. Sections 501.022(a) and (b), Transportation Code, are amended to read as follows:
  - The owner of a motor vehicle registered in this state:
- except as provided by Section 501.029, shall apply (1)for title to the vehicle; and
- may not operate or permit the operation of the (2) vehicle on a public highway until the owner [obtains]:
- 8-68 (A) applies for title and registration for the 8-69 vehicle; or

(B) obtains a receipt evidencing title for registration purposes only under Section 501.029.

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

SECTION 43. Section 501.023(a), Transportation Code, is amended to read as follows:

- The owner of a motor vehicle must present identification (a) and apply for a 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
  - (B) the motor vehicle is purchased or encumbered;

[<del>or</del>]

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- 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; or
- if the county assessor-collector's office of the county in which the owner resides is closed for a protracted period of time as defined by the department, to the county assessor-collector of a county that borders the county in which the owner resides who agrees to accept the application.

SECTION 44. Section 501.0234(b), Transportation Code, is amended to read as follows:

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

- that has been declared a total loss by an insurance (1)company in the settlement or adjustment of a claim;
- for which the title has been surrendered (2) exchange for:
- (A) a salvage vehicle title or salvage record of title issued under this chapter;
- (B) a nonrepairable vehicle title nonrepairable vehicle record of title issued under this chapter or Subchapter D, Chapter 683; or
- (C) an ownership document issued by another state that is comparable to a document described by Paragraph (A) or (B);
  - (3) with a gross weight in excess of 11,000 pounds; or purchased by a commercial fleet buyer who: (4)
  - is a [full-service] deputy authorized by

rules adopted under Section 520.0071;

transactions to the county in which the commercial fleet buyer is a

[full-service] deputy; and

(C) has authority to accept an application for (C) has authority to accept an registration and application for title transfer assessor-collector may accept. that the county

SECTION 45. Section 501.024(d), Transportation Code, amended to read as follows:

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

SECTION 46. Sections 501.031(a) and (c), Transportation Code, are amended to read as follows:

(a) The department shall include on each title an optional rights of survivorship agreement that:

(1) provides that if the agreement is between two or more eligible persons, the motor vehicle  $\underline{\text{will be owned}}$  [is held jointly] by the surviving owners when one or more of the owners die

10-1 [those persons with the interest of a person who dies to transfer to 10-2 the surviving person or persons]; and

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- (2) provides for the acknowledgment by signature, either electronically or by hand, of the persons.
- Ownership of the vehicle may be transferred only:
  (1) by all the persons acting jointly, if all the 10-6 10-7 persons are alive; or [and]
  - (2) on the death of one of the persons, by surviving person or persons by transferring ownership of the vehicle, in the manner otherwise required by law, with a copy of the death certificate of the deceased person.

SECTION 47. Section 501.032, Transportation Code, amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:

- (a) On proper application, the department shall assign a vehicle identification number to a travel trailer, a trailer or semitrailer [that has a gross vehicle weight that exceeds 4,000 pounds], a frame, or an item of equipment, including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment [on which]:
- (1)on which a vehicle identification number was not die-stamped by the manufacturer; [er]
- on\_which (2) vehicle identification a die-stamped by the manufacturer has been lost, removed, obliterated; or (3)
- for which a vehicle identification number was never assigned.
- (b) The applicant shall die-stamp the assigned vehicle identification number at the place designated by the department on the travel trailer, trailer, semitrailer, frame, or equipment.
- Only the department may issue vehicle identification (d) numbers.

SECTION 48. Section 501.033(a), Transportation Code, amended to read as follows:

- A person determined by law enforcement or a court to be (a) the owner of a motor vehicle, travel trailer, semitrailer, or trailer, a part of a motor vehicle, travel trailer, semitrailer, or trailer, a frame, or an item of equipment including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment may apply to the department for an assigned vehicle identification number that has been removed, altered, [or] obliterated, or has never been assigned.
- SECTION 49. Subchapter B, Chapter 501, Transportation Code, is amended by adding Section 501.037 to read as follows:
- Sec. 501.037. TITLE FOR TRAILERS. (a) Notwithstanding any provision of this chapter, the department may issue a title for a trailer that has a gross vehicle weight of 4,000 pounds or less if all other requirements for issuance of a title are met.
- (b) To obtain a title under this section, the owner of the trailer must: (1)
- apply for the title in the manner required by Section 501.023; and

(2) pay the fee required by Section 501.138. SECTION 50. The heading to Subchapter C, Chapter 501, Transportation Code, is amended to read as follows: SUBCHAPTER C. REFUSAL TO ISSUE, [AND] REVOCATION, [OR ALTERATION OF CERTIFICATE

SECTION 51. Section 501.051(b), Transportation Code, amended to read as follows:

- (b) The department may rescind, cancel, or revoke an application for a title if a notarized  $\underline{\text{or county-stamped}}$  affidavit is presented containing:
- (1) a statement that the vehicle involved was a new motor vehicle in the process of a first sale;
- 10-64 10-65 (2) a statement that the dealer, the applicant, and 10-66 any lienholder have canceled the sale;
  - a statement that the vehicle:
- was never in the possession of the title 10-68 (A) 10-69 applicant; or

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

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

SECTION 52. Section 501.052(e), Transportation Code, is amended to read as follows:

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

SECTION 53. Subchapter C, Chapter 501, Transportation Code, is amended by adding Section 501.0521 to read as follows:

Sec. 501.0521. COURT ORDERED TITLE CHANGES. (a) A justice of the peace or municipal court judge may not issue an order related to a title except as provided by Chapter 47, Code of Criminal Procedure, or Section 27.031(a)(3), Government Code.

(b) A county or district court judge may not order the department to change the type of title for:

(1) a nonrepairable vehicle titled after September 1,

2003; or

(2) a vehicle for which the department has issued a certificate of authority under Section 683.054.

SECTION 54. Section 501.053(a), Transportation Code, is amended to read as follows:

- (a) As an alternative to the procedure provided by Section 501.052, the person may obtain a title by filing [file] a bond with the department if the vehicle is in the possession of the applicant and:
  - (1) there is no security interest on the vehicle;(2) any lien on the vehicle is at least 10 years old;

11-37 <u>or</u> 11-38

- (3) the person provides a release of all liens with bond. [On the filing of the bond the person may obtain a title.]
  SECTION 55. Section 501.076(c), Transportation Code, is amended to read as follows:
- (c) The person named as the agent in the limited power of attorney must meet the following requirements:
- (1) the person may be a person who has been <u>deputized</u> [appointed by the commissioners court as a deputy] to perform vehicle registration functions as authorized by rules adopted under Section <u>520.0071</u> [<u>520.0091</u>], a licensed vehicle auction company holding a wholesale general distinguishing number under Section 503.022, a person who has a permit similar to one of the foregoing that is issued by the state in which the owner is located, or another person authorized by law to execute title documents in the state in which the owner executes the documents; and
- (2) the person may not be the transferee or an employee of the transferee. The person may not act as the agent of both the transferor and transferee in the transaction. For the purposes of this section, a person is not the agent of both the transferor and transferee in a transaction unless the person has the authority to sign the documents pertaining to the transfer of title on behalf of both the transferor and the transferee.

SECTION 56. Section 501.095(b), Transportation Code, is amended to read as follows:

(b) A person [An owner], other than a salvage vehicle dealer, a used automotive parts recycler, or an insurance company licensed to do business in this state, who acquired ownership of a nonrepairable or salvage motor vehicle that has not been issued a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, salvage record of title, or a comparable ownership document issued by another state or jurisdiction shall, before selling the motor vehicle, surrender the properly assigned

title for the motor vehicle to the department and apply to the department for the appropriate ownership document. 12-1 12-2

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SECTION 57. Sections 501.100(a) and (d), Transportation Code, are amended to read as follows:

- (a) The owner of a motor [A] vehicle for which a nonrepairable vehicle [certificate of] title issued prior to September 1, 2003, or for which a salvage vehicle title or salvage record of title has been issued may apply for [obtain] a title after the motor vehicle has been repaired, rebuilt, or reconstructed and, addition to any other requirement of law, only application:
- (1)describes each major component part used to repair the motor vehicle;
- (2) states the name of each person from whom the parts used in assembling the vehicle were obtained; and
- (3) shows the identification number required by federal law to be affixed to or inscribed on the part.
- (d) In addition to the fee described by Subsection (b), the applicant shall pay a \$65 rebuilder fee. The applicant shall include the fee with the statement submitted under Section 502.156 for the vehicle.

SECTION 58. Section 501.138(b-2), Transportation Code, is amended to read as follows:

(b-2) The comptroller shall establish a record of the amount of the fees deposited to the credit of the Texas Mobility Fund under Subsection (b-1). On or before the fifth workday of each month, the Texas Department of Transportation [department] shall remit to the comptroller for deposit to the credit of the Texas emissions reduction plan fund an amount of money equal to the amount of the fees deposited by the comptroller to the credit of the Texas Mobility Fund under Subsection (b-1) in the preceding month. The Texas Department of Transportation [department] shall use for remittance to the comptroller as required by this subsection money in the state highway fund that is not required to be used for a purpose specified by Section 7-a, Article VIII, Texas Constitution, and may not use for that remittance money received by this state under the congestion mitigation and air quality improvement program established under 23 U.S.C. Section 149.

SECTION 59. Subchapter G, Chapter 501, Transportation Code,

is amended by adding Section 501.139 to read as follows:

Sec. 501.139. ELECTRONIC FUNDS TRANSFER. A county assessor-collector that transfers money to the department under

this chapter shall transfer the money electronically.

SECTION 60. Section 501.146, Transportation Code, ĺS amended by adding Subsection (d) to read as follows:

A late fee imposed under this section may not exceed

SECTION 61. Section 501.173, Transportation Code, amended by adding Subsection (c) to read as follows:

(c) In addition to other title fees, the board by rule may fee to be assessed for the issuance of a paper title to cover the cost of administering the electronic titling system.
SECTION 62. Section 502.001, Transportation

Code, amended by amending Subdivision (7) and adding Subdivision (39-a) to read as follows:

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

(39-a) "Shipping weight" means the weight generally accepted as the empty weight of a yehicle

accepted as the empty weight of a vehicle.

SECTION 63. Sections 502.040(b) and (d), Transportation Code, are amended to read as follows:

(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

13-1 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

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- (3) if the county assessor-collector's office in which the owner resides is closed for a protracted period of time as defined by the department, to the county assessor-collector of a county that borders the county in which the owner resides who agrees to accept the application.
  (d) A county as
- assessor-collector, 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. SECTION 64. The heading to Section 502.043, Transportation Code, is amended to read as follows:

Sec. 502.043. APPLICATION FOR REGISTRATION AND CERTAIN PERMITS.

SECTION 65. Section 502.043, Transportation Code, amended by amending Subsections (a), (b), and (c) and adding Subsection (c-1) to read as follows:

(a) An application for vehicle registration or a permit described by Section 502.094 or 502.095 must:

(1) be made in a manner prescribed and include the information required by the department by rule; and

(2) contain a full description of the vehicle as

required by department rule.

(b) The department shall deny the registration of permitting under Section 502.094 or 502.095 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, family member, corporate officer, or shareholder;
- (2) has a vehicle that has been prohibited from operating by the Federal Motor Carrier Safety Administration for safety-related reasons;
- (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 deliver to the county assessor-collector
- proof of 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.
- (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:

(1) the registration receipt and transfer receipt for the vehicle; or

13-59 13-60 other evidence

satisfactory assessor-collector that the person owns the vehicle[, if any].

 $\overline{\text{(c-1)}}$  A  $\overline{\text{The}}$  county assessor-collector shall accept  $\underline{\text{a}}$ [the] receipt or evidence provided under Subsection (c) as an application for renewal of the registration if the receipt or evidence indicates the applicant owns the vehicle. This section allows issuance for registration purposes only but does not authorize the department to issue a title.

SECTION 66. The heading to Section 502.055, Transportation Code, is amended to read as follows:

Sec. 502.055. DETERMINATION OF WEIGHT AND SEATING CAPACITY. 14-1 SECTION 67. Section 502.055, Transportation Code, 14-2 amended by adding Subsections (c) and (d) to read as follows: 14-3

For the purposes of this section, the seating capacity (c) of a bus is:

the manufacturer's rated seating capacity, excluding the operator's seat; or

if the manufacturer has not rated the vehicle for seating capacity, a number computed by allowing one passenger for each 16 inches of seating on the bus, excluding the operator's seat, multiplied by 150 pounds.

(d) For registration purposes:

(1) the weight of a passenger car is the shipping weight of the car plus 100 pounds; and

(2) the weight of a municipal bus or private bus is calculated by adding the following and rounding to the next highest 100 pounds:

the shipping weight of the bus; and

(B) the seating capacity multiplied by 150

pounds.

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SECTION 68. Section 502.092(b), Transportation Code, is amended to read as follows:

- (b) The department shall issue a receipt for a permit issued [distinguishing insignia for a vehicle issued a permit] under this section in a manner provided by the department. The permit receipt must contain the information required by this section and be carried in the vehicle for which it is issued at all times during which it is valid. [The insignia must be attached to the vehicle in Tieu of regular license plates and must show the permit expiration date. A permit issued under this section is valid until the earlier of:
- (1)the date the vehicle's registration in the owner's home state or country expires; or
  (2) the 30th day after the date the permit is issued.
- SECTION 69. Sections 502.094(c) and (d), Transportation Code, are amended to read as follows:

A person may obtain a permit under this section by: (c)

- (1) applying to the county assessor-collector or  $[\tau]$ the department[, or the department's wire service agent, if the
- a 144-hour permit in the manner prescribed by the department that may include a service charge for a credit card payment or escrow account;
- (3) furnishing to the county assessor-collector or  $[\tau]$  the department  $[\tau]$  evidence of financial responsibility for the vehicle that complies with Sections 502.046(c) and 601.168(a); and
- (4) submitting a copy of the applicable federal declaration form required by the Federal Motor Carrier Safety Administration or its successor in connection with the importation of a motor vehicle or motor vehicle equipment subject to the federal
- motor vehicle safety, bumper, and theft prevention standards.

  (d) A county assessor-collector shall report and send a fee collected under this section in the manner provided by Section 502.198. [Each week, a wire service agent shall send to the department a report of all permits issued by the agent during the previous week!] The board by rule shall prescribe the format and previous week.] The board by rule shall prescribe the format and content of a report required by this subsection.

502.168, SECTION 70. Section Transportation Code, amended to read as follows:

Sec. 502.168. FEE: MOTOR BUS. The fee for a registration year for registration of a motor bus is the fee prescribed by

Section 502.252 [502.161] or 502.253 [502.162], as applicable.

SECTION 71. Subchapter E, Chapter 502, Transportation Code, is amended by adding Section 502.199 to read as follows:

14-66 Sec. 502.199. ELECTRONIC FUNDS TRANSFER. assessor-collector that transfers money to the department under 14-68 this chapter shall transfer the money electronically. 14-69

C.S.H.B. No. 2741 Section 502.433(a), Transportation Code, is 15-1 SECTION 72. amended to read as follows: 15-2

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- (a) The registration fee for a commercial motor vehicle as a farm vehicle is 50 percent of the applicable fee under Section 502.252 or 502.253, as applicable, if the vehicle's owner will use the vehicle for commercial purposes only to transport:
- (1) the person's own poultry, dairy, livestock, livestock products, timber in its natural state, or farm products to market or another place for sale or processing;
- (2) laborers from their place of residence to the owner's farm or ranch; or
- (3) without charge, materials, tools, equipment, or supplies from the place of purchase or storage to the owner's farm or ranch exclusively for the owner's use or for use on the farm or ranch.

SECTION 73. Section 502.473(d), Transportation Code, is amended to read as follows:

- (d) A court may dismiss a charge brought under Subsection (a) if the defendant pays an administrative fee not to exceed \$10 <u>a</u>nd:
- remedies the defect before the defendant's first (1)court appearance; or
- (2) shows that the motor vehicle was issued  $\overline{\text{registration } in signia \ \text{by the department that was attached to the} \\$ motor vehicle, establishing that the vehicle was registered for the period during which the offense was committed[; and

[(2) pays an administrative fee not to exceed \$10].
SECTION 74. Subchapter K, Chapter 502, Transportation Code, is amended by adding Section 502.4755 to read as follows:

Sec. 502.4755. DECEPTIVELY SIMILAR INSIGNIA. (a) commits an offense if the person:

- (1) manufactures, sells, or possesses a registration insignia deceptively similar to the registration insignia of the department; or
- (2) makes a copy or likeness of an insignia deceptively similar to the registration insignia of the department or insignia with intent to sell the copy or likeness.
- (b) For the purposes of this section, an insignia is deceptively similar to the registration insignia of the department if the insignia is not prescribed by the department but a reasonable person would presume that it was prescribed by the department.
- (c) A district or county court, on application of attorney general or of the district attorney or prosecuting attorney performing the duties of the district attorney for the district in which the court is located, may enjoin a violation or threatened violation of this section on a showing that a violation has occurred or is likely to occur.
- (d) It is an affirmative defense to a prosecution under this section that the insignia was produced pursuant to a licensing agreement with the department.

  (e) An offense under this section is a felony of the third

SECTION 75. Section 502.491, Transportation Code, redesignated from Section 502.451, Transportation Code, by Chapter 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted to incorporate amendments to Section 502.451, Transportation Code, made by Chapters 432 (S.B. 1057) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, and amended to read as follows:

Sec. 502.491. TRANSFER OF VEHICLE REGISTRATION. (a) On the sale or transfer of a  $\left[\frac{\text{motor}}{\text{motor}}\right]$  vehicle, the registration insignia issued for the [motor] vehicle shall be removed. The registration period remaining at the time of sale or transfer expires at the time of sale or transfer.

[(a-1) On the sale of a used motor vehicle by a dealer, the dealer shall issue to the buyer new registration documents for an registration year.

(b) On a sale or transfer of a [motor] vehicle in which 15-69 neither party holds a general distinguishing number issued under

Chapter 503, the part of the registration period remaining at the 16-1 time of the sale or transfer shall continue with the vehicle being 16-2 16-3 sold or transferred and does not transfer with the license plates or 16-4 registration validation insignia. To continue the remainder of the registration period, the purchaser or transferee must file the documents required under Section 501.145. 16**-**5 16-6 16-7

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- On the sale or transfer of a [motor] vehicle to a dealer, (c) as defined by Section 503.001, who holds a general distinguishing number issued under Chapter 503, the registration period remaining at the time of the sale or transfer expires at the time of the sale or transfer. On the sale of a used [motor] vehicle by a dealer, the dealer shall issue to the buyer new registration documents for an entire registration year.
- (d) If the transferor has paid for more than one year of registration, the department may credit the transferor for any time remaining on the registration in annual increments.

  SECTION 76. Sections 503.009(a), (c), and (d),

Transportation Code, are amended to read as follows:

- (a) The <u>board</u> [<del>department's Motor Vehicle</del> <del>Board</del>l may conduct hearings in contested cases brought under this chapter [and] as provided by this chapter and Chapter 2301, Occupations Code.
- (c) A decision or final order issued under this section is final and may not be appealed, as a matter of right, to the board [commission].
- (d) The <u>board</u> [<u>department's Motor Vehicle Board</u>] may adopt rules for the procedure, a hearing, or an enforcement proceeding for an action brought under this section.

SECTION 77. Section 504.202(e), Transportation Code, amended to read as follows:

- Other than license plates issued under Subsection (h), (e) license plates issued under this section must include:
- (1) the letters "DV" [as a prefix or suffix to any numeral] on the plate if the plate is issued for a vehicle other than a motorcycle; and
  (2) the words "Disabled Veteran" and "U.S. Armed
- Forces" at the bottom of each license plate.

SECTION 78. Section 504.306, Transportation Code, amended to read as follows:

Sec. 504.306. MEMBERS AND FORMER MEMBERS RETIRED FROM SERVICE IN MERCHANT MARINE OF THE UNITED STATES. The department shall issue specialty license plates for members and former members of [persons retired from service in] the merchant marine of the United States. The license plates must include the words "Merchant Marine."

SECTION 79. Section 504.610(a), Transportation Code, is amended to read as follows:

(a) The department may [shall] issue specialty license plates in recognition of the Texas Aerospace Commission. [including the words "Texas Aerospace Commission."] The department shall design the license plates in consultation with the Texas Aerospace Commission.

Section 504.652(b), Transportation Code, is SECTION 80. amended to read as follows:

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the general revenue fund. Money in the account may be used only by Texas A&M <u>AgriLife</u> [Cooperative] Extension for graduate student assistantships within the Texas Master Gardener program and to support Texas A&M AgriLife [Cooperative] Extension's activities related to the Texas Master Gardener program.

SECTION 81. Section 504.901, Transportation Code, amended by adding Subsection (e) to read as follows:

This section applies only to:
(1) a passenger vehicle with a gross weight of 6,000 pounds or less; and

(2) a light truck with a gross weight of 10,000 pounds or less.

C.S.H.B. No. 2741 Section 504.945(d), Transportation Code, is SECTION 82. 17-1 17-2 amended to read as follows:

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- (d) A court may dismiss a charge brought under Subsection
  (a)(3),(5),(6), or (7) if the defendant:
- (1) remedies the defect before the defendant's first court appearance; [and]
  - pays an administrative fee not to exceed \$10; and (2)
- shows that the vehicle was issued a plate by the (3)department that was attached to the vehicle, establishing that the vehicle was registered for the period during which the offense was committed.
- SECTION 83. Subchapter L, Chapter 504, Transportation Code, is amended by adding Sections 504.946, 504.947, and 504.948 to read as follows:
- Sec. 504.946. DECEPTIVELY SIMILAR LICENSE PLATE. (a) person commits an offense if the person:
- (1) manufactures, sells, or possesses a license plate deceptively similar to a license plate issued by the department; or
- (2) makes a copy or likeness of a license plate deceptively similar to a license plate issued by the department with intent to sell the copy or likeness.
- (b) For the purposes of this section, a license plate is deceptively similar to a license plate issued by the department if it is not prescribed by the department but a reasonable person would presume that it was prescribed by the department.
- (c) A district or county court, on application of the attorney general or of the district attorney or prosecuting attorney performing the duties of the district attorney for the district in which the court is located, may enjoin a violation or threatened violation of this section on a showing that a violation has occurred or is likely to occur.
- (d) It is an affirmative defense to a prosecution under this section that the license plate was produced pursuant to a licensing agreement with the department.
- An offense under this section is a felony of the third degree.
- 504.947. LICENSE PLATE FLIPPER; OFFENSE. (a) In this section "license plate flipper" means a manual, electric, or mechanical device designed or adapted to be installed on a motor vehicle and:
- switch between two or more license plates for the purpose of allowing a motor vehicle operator to change the license plate displayed on the operator's vehicle; or
- (2) hide a license plate from view by flipping the license plate so that the license plate number is not visible.

  (b) A person commits an offense if the person with criminal
- negligence uses, purchases, or possesses a license plate flipper. An offense under this subsection is a Class B misdemeanor.
- (c) A person commits an offense if the person with criminal negligence manufactures, sells, offers distributes a license plate flipper. offers to sell, or otherwise pper. An offense under this subsection is a Class A misdemeanor.
- (a) A person commits an Sec. 504.948. GENERAL PENALTY. offense if the person violates a provision of this chapter and no
- other penalty is prescribed for the violation.
  (b) An offense under Subsection (a) is <u>misdemeanor</u> punishable by a fine of not less than \$5 or more than \$200.
- SECTION 84. Section 520.001, Transportation Code, amended to read as follows:
  - Sec. 520.001. DEFINITIONS [DEFINITION]. In this chapter:
- (1) "Board" means the board of the Texas Department of
- 17-62 17-63 17-64 Department of Motor Vehicles.
- 17-65 SECTION 85. Section 520.003, Transportation Code, amended to read as follows: 17-66
- 17-67 Sec. 520.003. RULES; [WAIVER OF] FEES; REFUNDS. 17-68 department may adopt rules to administer this chapter, including 17-69 rules that:

waive the payment of fees if a dealer has gone out 18-1 (1)of business and the applicant can show that fees were paid to the 18-2 dealer<u>; and</u> 18-3

(2) allow full and partial refunds for rejected

titling and registration transactions.
(b) The department may collect from a person making transaction with the department using the state electronic Internet portal project a fee set under Section 2054.2591, Government Code. All fees collected under this subsection shall be allocated to the department to provide for the department's costs associated with administering Section 2054.2591, Government Code.

SECTION 86. Section 520.005, Transportation Code, is

amended by amending Subsection (c) and adding Subsection (d) to

read as follows:

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- (c) Notwithstanding the requirements of Section 520.0071 [Sections 520.008 and 520.0091], the assessor-collector may license franchised and non-franchised 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.
- (d) Each county assessor-collector shall registration renewal through an online system designated by the

department.

SECTION 87. Section 520.006(a-1), Transportation Code, as added by Chapters 1290 (H.B. 2017) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted and amended to read as follows:

(a-1) A county assessor-collector collecting fees on behalf of a county that has been declared as a disaster area  $\underline{\text{or}}$  that is closed for a protracted period of time as defined by the department for purposes of Section 501.023 or 502.040 may retain the commission for fees collected, but shall allocate the fees to the county declared as a disaster area  $\underline{\text{or that is closed for a}}$  protracted period of time.

SECTION 88. Subchapter A, Chapter 520, Transportation Code, is amended by adding Section 520.0061 to read as follows:

Sec. 520.0061. CONTRACTS BETWEEN COUNTIES. (a) A county tax assessor-collector, with approval of the commissioners court of the county by order, may enter into an agreement with one or more counties to perform mail-in or online registration or titling duties.

(b) A contract entered into under Subsection (a) may be terminated by a county that is a party to the contract.

SECTION 89. Subchapter A, Chapter 520, Transportation Code, (<u>a) may be</u>

is amended by adding Section 520.0071 to read as follows:

Sec. 520.0071. DEPUTIES. (a) The board by rule shall prescribe:

the classification types of deputies performing titling and registration duties;

the duties and obligations of deputies;

(3) the type and amount of any bonds that may be required by a county assessor-collector for a deputy to perform titling and registration duties; and
(4) the fees that may

be charged or retained by

deputies. 18-58

(b) A county assessor-collector, with the approval of the commissioners court of the county, may deputize an individual or business entity to perform titling and registration services in accordance with rules adopted under Subsection (a).

SECTION 90. The heading to Section 520.0093, Transportation Code, is amended to read as follows:

Sec. 520.0093. LEASE OF [ADDITIONAL] COMPUTER EQUIPMENT.

SECTION 91. Section 520.0093, Transportation Code, is amended by amending Subsections (a), (c), and (e) and adding Subsection (b-1) to read as follows:

(a) The department may [This section applies only to the] 18-68 lease [of] equipment and provide related services to a: 18-69

 $\underline{\text{(1)}}$  county for the operation of the automated registration and titling system in addition to the equipment 19-1 19-2 19-3 provided by the department at no cost to the county under a formula 19-4 prescribed by the department; and

(2) deputy appointed under Section 520.0071.
(b-1) On the request of a deputy appointed under Section 520.0071, the department may enter into an agreement under which the department leases equipment to the deputy for the use of the deputy in operating the automated registration and titling system. The department may require the deputy to post a bond in an amount equal to the value of the equipment.

(c) A county may install equipment leased under this section at offices of the county or of an agent of the county. A deputy appointed under Section 520.0071 may install equipment leased under

this section on the premises described in the agreement.

(e) Under the agreement, the department shall charge an amount not less than the amount of the cost to the department to provide the [additional] equipment and any related services under the lease. All money collected under the lease shall be deposited to the credit of the state highway fund.

SECTION 92. Section 520.016(c), Transportation Code,

amended to read as follows:

This section does not apply to a violation of Section 520.006 or a rule adopted under Section 520.0071 [, 520.008,

520.009, 520.0091, or 520.0092].

SECTION 93. Subchapter D, Chapter 551, Transportation Code, is amended by adding Section 551.304 to read as follows:

Sec. 551.304. LIMITED OPERATION. (a) An operator may operate a neighborhood electric vehicle:

in a master planned community:

(A) that has in place uniform set of restrictive covenants; and

for which (B) a county or municipality has

approved a plat;

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on a public or private beach; or on a public highway for which the posted speed is not more than 35 miles per hour, if the neighborhood electric vehicle is operated:

(A)\_\_\_ during the daytime; and

(B) not more than two miles from the location where the neighborhood electric vehicle is usually parked and for transportation to or from a golf course.

(b) A person is not required to register a neighborhood electric vehicle operated in compliance with this section.

SECTION 94. 551.402, Code, Section Transportation amended to read as follows:

Sec. 551.402. REGISTRATION NOT AUTHORIZED. (a) The Texas Department of  $\underline{\text{Motor Vehicles}}$  [ $\underline{\text{Transportation}}$ ] may not register a golf cart for operation on a public highway regardless of whether

any alteration has been made to the golf cart.

(b) The <u>Texas Department of Motor Vehicles</u> [<u>department</u>] may issue license plates for a golf cart only as authorized by Section 504.510.

SECTION 95. Section 601.052(a), Transportation Code, is amended to read as follows:

Section 601.051 does not apply to: (a)

the operation of a motor vehicle that: (1)

is a former military vehicle or is at least 25

years old;

(B) is used only for exhibitions, activities, parades, and other functions of public interest and not for regular transportation; and

(C) for which the owner files with the department an affidavit, signed by the owner, stating that the vehicle is a collector's item and used only as described by Paragraph (B);

(2) the operation of a neighborhood electric vehicle a golf cart that is operated only as authorized by Section 551.304 or 551.403; or

(3) a volunteer fire department for the operation of a

motor vehicle the title of which is held in the name of a volunteer 20-1 20-2 fire department.

SECTION 96. Section 621.001(4), Transportation Code, is amended to read as follows:

"Director" means:

(A) the executive director of the department; or an employee of the department who is: (B)

(i) a division or special office director or holds a rank higher than division or special office director; and (ii) designated by the executive director

[Texas Department of Motor Vehicles]

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SECTION 97. Section 621.002(a), Transportation Code, is amended to read as follows:

- (a) A copy of the registration receipt issued under Section 502.057 [<del>502.178</del>] for a commercial motor vehicle, truck-tractor, trailer, or semitrailer shall be:
- (1) carried on the vehicle when the vehicle is on a public highway; and
- (2) presented to an officer authorized to enforce this chapter on request of the officer.

SECTION 98. Section 621.301(b), Transportation Code, is amended to read as follows:

(b) The commissioners court may limit the maximum weights to be moved on or over a county road, bridge, or culvert by exercising its authority under this subsection in the same manner and under the conditions provided by Section 621.102 for the Texas Department of Transportation [commission] to limit maximum weights on highways and roads to which that section applies.

SECTION 99. Subchapter D, Chapter 621, Transportation Code, is amended by adding Section 621.304 to read as follows:

Sec. 621.304. RESTRICTION ON LOCAL GOVERNMENT AUTHORITY TO REGULATE OVERWEIGHT VEHICLES AND LOADS ON STATE HIGHWAY SYSTEM. Except as expressly authorized by this subtitle, a county or municipality may not require a permit, bond, fee, or license for the movement of a vehicle or combination of vehicles or any load carried by the vehicle or vehicles on the state highway system in the county or municipality that exceeds the weight or size limits on the state highway system.

SECTION 100. Subchapter G, Chapter 621, Transportation Code, is amended by adding Section 621.510 to read as follows:

Sec. 621.510. PERMIT VOID. A permit issued under chapter is void on the failure of the owner or the owner's representative to comply with a rule of the board or with a condition placed on the permit by the department. SECTION 101. Section 622.074, Transport

101. Transportation Code, is amended to read as follows:

Sec. 622.074. NONAPPLICABILITY OF SUBCHAPTER. This subchapter does not apply to:

- (1)farm equipment used for a purpose other than construction;
- special mobile equipment owned by a dealer or distributor;
- (3) a vehicle used to propel special mobile equipment that is registered as a farm vehicle <u>under</u> [<del>as defined by</del>] Section 502.433 [502.163]; or
- (4)equipment while being used by a commercial hauler to transport special mobile equipment under hire of a person who derives \$500 in gross receipts annually from a farming or ranching enterprise.

SECTION 102. Section 622.901, Transportation amended to read as follows:

Sec. 622.901. WIDTH EXCEPTIONS. The width limitation provided by Section 621.201 does not apply to:

(1) highway building or maintenance machinery that is traveling:

(A) during daylight on a public highway other than a highway that is part of the national system of interstate and defense highways; or

(B) for not more than 50 miles on a highway that

21-1 is part of the national system of interstate and defense highways;

(2) a vehicle traveling during daylight on a public highway other than a highway that is part of the national system of interstate and defense highways or traveling for not more than 50 miles on a highway that is part of the national system of interstate and defense highways if the vehicle is:

(A) a farm tractor or implement of husbandry; or

(B) a vehicle on which a farm tractor or implement of husbandry, other than a tractor or implement being transported from one dealer to another, is being moved by the owner of the tractor or implement or by an agent or employee of the owner:

(i) to deliver the tractor or implement to a

new owner;

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and

(ii) to transport the tractor or implement to or from a mechanic for maintenance or repair; or

(iii) in the course of an agricultural

operation;

- (3) machinery that is used solely for drilling water wells, including machinery that is a unit or a unit mounted on a conventional vehicle or chassis, and that is traveling:
- (A) during daylight on a public highway other than a highway that is part of the national system of interstate and defense highways; or
- (B) for not more than 50 miles on a highway that is part of the national system of interstate and defense highways;
- (4) a vehicle owned or operated by a public, private, or volunteer fire department;
- (5) a vehicle registered under Section 502.431 [502.164]; or
- (6) a recreational vehicle to which Section 622.903 applies.

SECTION 103. Section 623.011(b), Transportation Code, is amended to read as follows:

(b) To qualify for a permit under this section:

- (1) the vehicle must be registered under Chapter 502 for the maximum gross weight applicable to the vehicle under Section 621.101, not to exceed 80,000 pounds;
- (2) the security requirement of Section 623.012 must be satisfied; and
- (3) a base permit fee of \$90, any additional fee required by Section 623.0111, and any additional fee set by the  $\underline{board}$  [department] under Section 623.0112 must be paid.

SECTION 104. Sections 623.014(c) and (d), Transportation Code, are amended to read as follows:

- (c) The department shall issue the prorated credit if the person:
  - (1) pays the fee adopted by the board [department];

(2) provides the department with:

(A) the original permit; or

(B) if the original permit does not exist, written evidence in a form approved by the department that the vehicle has been destroyed or is permanently inoperable.

(d) The fee adopted by the <u>board</u> [ $\frac{department}{department}$ ] under Subsection (c)(1) may not exceed the cost of issuing the credit.

SECTION 105. The heading to Section 623.0711, Transportation Code, is amended to read as follows:

Sec. 623.0711. PERMITS AUTHORIZED BY BOARD [COMMISSION].

SECTION 106. Sections 623.0711(a), (b), (c), (d), (f), (g),

and (h), Transportation Code, are amended to read as follows:

- (a) The <u>board</u> [commission] by rule may authorize the department to issue a permit to a motor carrier, as defined by Section 643.001, to transport multiple loads of the same commodity over a state highway if all of the loads are traveling between the same general locations.
- (b) The <u>board</u> [commission] may not authorize the issuance of a permit that would allow a vehicle to:
- 21-68 (1) violate federal regulations on size and weight 21-69 requirements; or

transport equipment that could reasonably be 22 - 1(2) dismantled for transportation as separate loads. 22-2

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The board [commission] rules must require that, before (c) the department issues a permit under this section, the department:

(1) determine that the state will benefit from the consolidated permitting process; and

(2) complete a route and engineering study that considers:

(A) estimated the number of loads to be transported by the motor carrier under the permit;

(B) the size and weight of the commodity;

(C) available routes that can accommodate size and weight of the vehicle and load to be transported;

(D) the potential roadway damage caused repeated use of the road by the permitted vehicle; bу

(E) any disruption caused by the movement of the permitted vehicle; and

(F) the safety of the traveling public.

The <u>board</u> (d) [<del>commission</del>] rules may authorize the department to impose on the motor carrier any condition regarding routing, time of travel, axle weight, and escort vehicles necessary to ensure safe operation and minimal damage to the roadway.

The board [commission] shall require the motor carrier to file a bond in an amount set by the <u>board</u> [commission], payable to the <u>Texas Department of Transportation</u> [department] and conditioned on the motor carrier paying to the <u>Texas Department of Transportation</u> [department] any damage that is sustained to a state highway because of the operation of a vehicle under a permit issued under this section.

(g) An application for a permit under this section must be accompanied by the permit fee established by the <a href="mailto:board">board</a> [commission] for the permit, not to exceed \$9,000. The department shall send each fee to the comptroller for deposit to the credit of the state highway fund.

(h) In addition to the fee established under Subsection (g), the  $\underline{\text{board}}$  [commission] rules must authorize the department to collect a consolidated permit payment for a permit under this section in an amount not to exceed 15 percent of the fee established under Subsection (g), to be deposited to the credit of the state highway fund.

SECTION 107. Section 623.078(b), Transportation Code, amended to read as follows:

(b) The department [board] shall send each fee collected under Subsection (a) to the comptroller for deposit to the credit of the state highway fund.

SECTION 108. Section 623.144, Transportation Code, amended to read as follows:

Sec. 623.144. REGISTRATION OF VEHICLE. (a) A person may not operate a vehicle permitted [A permit] under this subchapter on a public highway unless [may be issued only if] the vehicle is registered under Chapter 502 for the maximum gross weight applicable to the vehicle under Section 621.101 or has specialty [the distinguishing] license plates as provided by Section 502.146 [504.504] if applicable to the vehicle.

(b) The department may not issue specialty license plates to a vehicle described by Section 502.146(b)(3) unless the applicant complies with the requirements of that subsection.

SECTION 109. Section 623.149(a), Transportation Code, is amended to read as follows:

(a) The department may establish criteria to determine whether oil well servicing, oil well clean out, or oil well drilling machinery or equipment is subject to registration under Chapter 502 eligible for the distinguishing license plate provided by Section 502.146 [504.504].
SECTION 110. Section 623.194, Transportation Code,

amended to read as follows:

22-66 Sec. 623.194. REGISTRATION OF VEHICLE. A permit under this 22-67 subchapter may be issued only if the vehicle to be moved is registered under Chapter 502 for the maximum gross weight 22-68 22-69

applicable to the vehicle under Section 621.101 or has the distinguishing license plates as provided by Section  $\underline{502.146}$ 23-1 23-2 23-3 [504.504] if applicable to the vehicle.

SECTION 111. Section 623.199(a), Transportation Code, is amended to read as follows:

The department may establish criteria to determine (a) whether an unladen lift equipment motor vehicle that because of its design for use as lift equipment exceeds the maximum weight and width limitations prescribed by statute is subject to registration under Chapter 502 or eligible for the distinguishing license plate provided by Section 502.146 [504.504].

SECTION 112. Chapter 623, Transportation Code, is amended by adding Subchapter R to read as follows:

## SUBCHAPTER R. PERMIT TO DELIVER RELIEF SUPPLIES DURING NATIONAL

PERMIT TO DELIVER Sec. 623.341. RELIEF SUPPLIES. Notwithstanding any other law, the department may issue a special permit during a major disaster as declared by the president of the United States under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Section 5121 et seq.) to an overweight or oversize vehicle or load that:

(1) can easily be dismantled or divided; and

(2) will be used only to deliver relief supplies.

(b) A permit issued under this section expires not later than the 120th day after the date of the major disaster declaration.

Sec. 623.342. RULES. The board may adopt rules necessary to implement this subchapter, including rules that establish the requirements for obtaining a permit.

Sec. 623.343. PERMIT CONDITIONS. The department may impose conditions on a permit holder to ensure the safe operation of a permitted vehicle and minimize damage to roadways, including requirements related to vehicle routing, hours of operation, weight limits, and lighting and requirements for escort vehicles.

SECTION 113. Section 642.002(a), Transportation Code, amended to read as follows:

A person commits an offense if:

 $(\bar{1})$ the person operates on a public street, road, or highway:

a commercial motor vehicle that has three or (A)

more axles;

- (B) a truck-tractor;
- (C) a road-tractor; or
- (D) a tow truck; and

the vehicle does not have on each side of the power (2) unit identifying markings that comply with the identifying marking requirements specified by 49 C.F.R. Section 390.21 or that:

show the name of the owner or operator of the (A)

23-48 vehicle; 23-49

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(B) have clearly legible letters and numbers of a height of at least two inches; and

(C) show the motor carrier registration number in clearly legible letters and numbers, if the vehicle is required to be registered under this chapter or Chapter 643.

SECTION 114. The heading to Section 643.054, Transportation Code, is amended to read as follows:

Sec. 643.054. DEPARTMENT APPROVAL AND DENIAL; ISSUANCE OF CERTIFICATE.

SECTION 115. Section 643.054, Transportation Code, is amended by amending Subsection (a) and adding Subsections (a-1), (a-2), and (a-3) to read as follows:

(a) The department shall register a motor carrier under this subchapter if the carrier complies with Sections 643.052 643.053.

The department may deny a registration if (a-1) the applicant has had a registration revoked under Section 643.252.

23-66 (a-2) The department may deny a registration if applicant's business is operated, managed, or otherwise controlled 23-67 by or affiliated with a person, including the applicant, 23-68 23-69 relative, family member, corporate officer, or shareholder, whom

the Department of Public Safety has determined has: 24 - 124-2

(1) an unsatisfactory safety rating under 49 C.F.R.

24-3 Part 385; or 24-4

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(2) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C.

(a-3) The department may deny a registration if the applicant is a motor carrier whose business is operated, managed, or otherwise controlled by or affiliated with a person, including an owner, relative, family member, corporate officer, or shareholder, whom the Department of Public Safety has determined has:

Part 385; or (2) <u>(</u>1) an unsatisfactory safety rating under 49 C.F.R.

multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C. SECTION 116. Section 643.064,

Transportation Code, amended to read as follows:

Sec. 643.064. [ISSUANCE OF] UNITED STATES DEPARTMENT OF TRANSPORTATION NUMBERS. (a) The department by rule shall provide for the issuance to a motor carrier of an identification number authorized by the Federal Motor Carrier Safety Administration. A rule must conform to rules of the Federal Motor Carrier Safety Administration or its successor.

(b) A motor carrier required to register under this subchapter shall maintain an authorized identification number issued to the motor carrier by the Federal Motor Carrier Safety Administration, its successor, or another person authorized to issue the number.

SECTION 117. Subchapter F, Chapter 643, Transportation Code, is amended by adding Section 643.2526 to read as follows:

Sec. 643.2526. APPEAL OF DENIAL OF REGISTRATION, RENEWAL, OR REINSTATEMENT. (a) Notwithstanding any other law, a denial of an application for registration, renewal of registration, reinstatement of registration under this chapter is not required to

be preceded by notice and an opportunity for hearing.

(b) An applicant may appeal a denial under this chapter by filing an appeal with the department not later than the 26th day after the date the department issues notice of the denial to the applicant.

(c) If the appeal of the denial is successful and application is found to be compliant with this chapter, the the application shall be considered to have been properly filed on the date the finding is entered.

SECTION 118. Section 648.051(b), Transportation Code, is amended to read as follows:

(b) This subchapter supersedes that portion of any paired city, paired state, or similar understanding governing foreign commercial motor vehicles or motor carriers entered into under Section 502.091 [502.054] or any other law. SECTION 119. Section 648.102(a), Transportation Code,

amended to read as follows:

(a) The Texas Department of Motor Vehicles [Transportation] shall adopt rules that conform with 49 C.F.R. Part 387 requiring motor carriers operating foreign commercial motor vehicles in this state to maintain financial responsibility.
SECTION 120. Section 681.003(b), Transportation Code, is

amended to read as follows:

- (b) An application for a disabled parking placard must be:
  - (1)on a form furnished by the department;
- (2)submitted to the county assessor-collector of the county in which the person with the disability resides or in which the applicant is seeking medical treatment if the applicant is not a resident of this state; and
- (3) accompanied by a fee of \$5 if the application is

for a temporary placard.
SECTION 121. Section 681.0031, Transportation Code, amended to read as follows:

Sec. 681.0031. APPLICANT'S [DRIVER'S LICENSE OR PERSONAL] 24-68 IDENTIFICATION [CARD NUMBER]. (a) The applicant shall include on 24-69

25-1 the application the applicant's:

(1) driver's license number or the number of a personal identification card issued to the applicant under Chapter 521;

- (2) military identification number; or
  (3) driver's license number of a driver's license issued by another state or country if the applicant is not a resident of this state and is seeking medical treatment in this state. [The department shall provide for this information in <del>prescribing the application form.</del>]
- (b) The county assessor-collector shall record on any disabled parking placard issued to the applicant the following information in the following order:

(1)the county number assigned by the comptroller to the county issuing the placard;

(2) the first four digits of the applicant's driver's license number, personal identification card number, or military identification number; and
(3) the applicant's initials.

SECTION 122. Section 681.004(c), Transportation Code, is amended to read as follows:

A disabled parking placard issued to a person with a (c) permanent disability:

<u>(1</u>) is valid for:

(A) [a period of] four years for a resident of

this state; and

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six months for a person who is not a resident (B) of this state; and

(<u>2</u>) shall be replaced or renewed on request of the person to whom the initial card was issued without presentation of evidence of eligibility.

SECTION 123. Section 681.012, Transportation Code, amended to read as follows:

Sec. 681.012. SEIZURE AND REVOCATION OF PLACARD. (a) A law enforcement officer who believes that an offense under Section 681.011(a) or (d) has occurred in the officer's presence shall seize any disabled parking placard involved in the offense. Not later than 48 hours after the seizure, the officer shall determine whether probable cause existed to believe that the offense was committed. If the officer does not find that probable cause existed, the officer shall promptly return each placard to the person from whom it was seized. If the officer finds that probable cause existed, the officer, not later than the fifth day after the date of the seizure, shall destroy the [submit each seized] placard

and notify [to] the department.

(a-1) A peace officer may seize a disabled parking placard from a person who operates a vehicle on which a disabled parking placard is displayed if the peace officer determines by inspecting the person's driver's license, [or] personal identification certificate, or military identification that the disabled parking placard does not contain the first four digits of the driver's license number, [or] personal identification certificate number,

or military identification number and the initials of:

(1) the person operating the vehicle;(2) the applicant on behalf of of a person being transported by the vehicle; or

(3) a person being transported by the vehicle.

(a-2) A peace officer shall <u>destroy a seized</u> [submit each seized parking] placard and notify [to] the department [not later than the fifth day after the seizure].

(b) On seizure of a placard [submission to the department] under Subsection (a) or (a-1) [(a-2)], a placard is revoked. On request of the person from whom the placard was seized, the department shall conduct a hearing and determine whether the revocation should continue or the placard should be returned to the person and the revocation rescinded.

SECTION 124. Section 728.002(d), Transportation Code, is amended to read as follows:

25**-**68 (d) This section does not prohibit the quoting of a price for a motor home  $\underline{\text{or}}$  [ $\tau$ ] tow truck[ $\tau$  or towable recreational vehicle] 25-69

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C.S.H.B. No. 2741
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at a show or exhibition described by Section 2301.358, Occupations 26-1 26-2 Code.

SECTION 125. Section 730.007(c), Transportation Code, is amended to read as follows:

(c) This section does not:

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(1)prohibit the disclosure of a person's photographic image to:

agency<u>,</u> law enforcement (A) a Department of Motor Vehicles, a county tax assessor-collector, or a criminal justice agency for an official purpose;

(B) an agency of this state investigating an alleged violation of a state or federal law relating to the obtaining, selling, or purchasing of a benefit authorized by Chapter 31 or 33, Human Resources Code; or

(C) an agency of this state investigating an alleged violation of a state or federal law under authority provided by Title 4, Labor Code; or

(2) prevent a court from compelling by subpoena the production of a person's photographic image.

SECTION 126. Section 1001.009(c), Transportation Code, is amended to read as follows:

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

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

charge for a credit card payment in addition to the fee; and

require an overpayment of a motor vehicle or (3)license fee of:
(A) less than \$10 to be credited toward a future salvage dealer

fee requirement; and

(B) more than \$10 to be refunded.

SECTION 127. Subchapter A, Chapter 1001, Transports Code, is amended by adding Section 1001.012 to read as follows: Transportation

Sec. 1001.012. IMMUNITY FROMLIABILITY. Notwithstanding any other law, the executive director, a board member, or an employee is not personally liable for damages resulting from an official act or omission unless the

omission constitutes intentional or malicious malfeasance.

(b) To the extent a person described by Subsection (a) is personally liable for damages for which the state provides indemnity under Chapter 104, Civil Practice and Remedies Code, this

section does not affect the state's liability for the indemnity.

SECTION 128. Subchapter A, Chapter 1001, Transportation Code, is amended by adding Section 1001.013 to read as follows:

Sec. 1001.013. PERFORMANCE OF CERTAIN DEPARTMENT FUNCTIONS AUTHORIZED BUSINESS. (a) The executive director of the department may authorize a business entity to perform a department function in accordance with rules adopted under Subsection (b).

(b) The board by rule shall prescribe:

(1) the classification types of businesses that are authorized to perform certain department functions;

the duties and obligations of (2) an authorized business;

the type and amount of any bonds that may be required for a business to perform certain functions; and

(4) the fees that may be charged or retained by a business authorized under this section.

Section 1001.023(b), Transportation Code, is SECTION 129. amended to read as follows:

(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 27-1 department operations;

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27-2 (5) report to the governor on efforts, including 27-3 legislative requirements, to maximize the efficiency of department 27-4 operations through the use of private enterprise;

- (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 at least one employee [one or more employees] of the department as a civil rights officer [division] of the department and receive regular reports from the officer or officers [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 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 130. Section 1001.042, Transportation Code, is amended to read as follows:

Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly define the respective responsibilities of the  $\underline{\text{executive}}$  director and the staff of the department.

SECTION 131. Section 1001.101(2), Transportation Code, is amended to read as follows:

(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  $\underline{502.091}$  [502.054].

SECTION 132. The following laws are repealed:

(1) Sections 2301.101, 2301.157, 2301.259(b), and 2301.606(a), Occupations Code;

(2) Sections 502.252(b), 503.009(b), 503.029(b), 503.030(b), 503.066(b), 520.008, 520.009, 520.0091, 520.0092, 623.0711(k), and 623.093(f), Transportation Code; and

(3) Section 520.004, Transportation Code, as added by Chapter 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011.

SECTION 133. The changes in law made by this Act apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 134. A deputy appointed under Section 520.0091, Transportation Code, on or before August 31, 2013, may continue to perform the services authorized under Sections 520.008, 520.009, 520.0091, and 520.0092, Transportation Code, until the Texas Department of Motor Vehicles Board adopts rules regarding the types of deputies authorized to perform titling and registration duties under Section 520.0071, Transportation Code, as added by this Act.

SECTION 135. To the extent of any conflict, this Act prevails over another Act of the 83rd Legislature, Regular Session, 2013, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 136. (a) Except as provided by Subsection (b) of

this section, this Act takes effect September 1, 2013. 28-1

this section, this Act takes effect September 1, 2013.

(b) Sections 501.146 and 504.202, Transportation Code, as amended by this Act, and Section 504.948, Transportation Code, as added by this Act, take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, Sections 501.146 and 504.202, Transportation Code, as amended by this Act, and Section 504.948, Transportation Code, as added by this Act, take effect September 1, 2013. 28-2 28-3 28-4 28**-**5 28-6 28-7 28-8 28-9 28-10

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