

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Phillips

H.B. No. 2741

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the regulation of motor vehicles by counties and the  
3 Texas Department of Motor Vehicles and to certain vehicles  
4 purchased outside this state; authorizing a fee; creating an  
5 offense.

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

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

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

12 (1) fees for registration, certificate of title, and  
13 license and any additional registration fees charged by a [~~full~~  
14 ~~service~~] deputy as authorized by rules adopted under Section  
15 520.0071 [~~502.114~~], Transportation Code;

16 (2) any taxes;

17 (3) fees or charges prescribed by law and connected  
18 with the sale or inspection of the motor vehicle; and

19 (4) charges authorized for insurance, service  
20 contracts, warranties, or a debt cancellation agreement by  
21 Subchapter C.

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

24 Sec. 353.006. ITEMIZED CHARGE. An amount in a retail

1 installment contract is an itemized charge if the amount is not  
2 included in the cash price and is the amount of:

3 (1) fees for registration, certificate of title, and  
4 license and any additional registration fees charged by a [~~full~~  
5 ~~service~~] deputy as authorized by rules adopted under Section  
6 520.0071 [~~502.114~~], Transportation Code;

7 (2) any taxes;

8 (3) fees or charges prescribed by law and connected  
9 with the sale or inspection of the commercial vehicle;

10 (4) charges authorized for insurance, service  
11 contracts, and warranties by Subchapter C; and

12 (5) advances or payments authorized under Section  
13 353.402(b) or (c) made by the retail seller to or for the benefit of  
14 the retail buyer.

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

17 (f) The governor may suspend any of the following  
18 requirements in response to an emergency or disaster declaration of  
19 another jurisdiction if strict compliance with the requirement  
20 would prevent, hinder, or delay necessary action in assisting  
21 another state with coping with an emergency or disaster:

22 (1) a registration requirement in an agreement entered  
23 into under the International Registration Plan under Section  
24 502.091, Transportation Code, to the extent authorized by federal  
25 law;

26 (2) a temporary registration permit requirement under  
27 Section 502.094, Transportation Code;

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

3           (4) a motor carrier registration requirement under  
4 Chapter 643, Transportation Code;

5           (5) a registration requirement under Chapter 645,  
6 Transportation Code, to the extent authorized by federal law; or

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

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

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

18           (2) the governor of another state.

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

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

25          (f) If the owner of a manufactured home relocates the home,  
26 the owner shall apply for the issuance of a new statement of  
27 ownership and location not later than the 60th day after the date

1 the home is relocated. The department shall require that the owner  
2 submit evidence that the home was relocated in accordance with the  
3 requirements of the Texas Department of Motor Vehicles  
4 [~~Transportation~~].

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

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

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

12 SUBCHAPTER C. [~~DIRECTOR AND OTHER~~] DIVISION PERSONNEL

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

16 (b) The board by rule may delegate any power relating to a  
17 contested case hearing brought under this chapter or Chapter 503,  
18 Transportation Code, other than the power to issue a final order,  
19 to:

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

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

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

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

5           (e) An action taken by a person to whom a power or other  
6 authority is delegated under Subsection (b) or (c), including the  
7 issuance of an order, is considered an action of the board and may  
8 not be appealed to the board.

9           SECTION 8. Section 2301.257(a), Occupations Code, is  
10 amended to read as follows:

11           (a) An application for a dealer's license must be on a form  
12 prescribed by the department. The application must include:

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

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

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

23           (a) An application for a distributor's license must  
24 disclose:

25           (1) the manufacturer for whom the distributor will  
26 act;

27           (2) whether the manufacturer is licensed in this

1 state;

2 (3) [~~the warranty covering the motor vehicles to be~~  
3 ~~sold,~~

4 [~~(4)~~] the persons in this state who will be  
5 responsible for compliance with the warranty covering the motor  
6 vehicles to be sold;

7 (4) [~~(5)~~] the terms of the contract under which the  
8 distributor will act for the manufacturer; and

9 (5) [~~(6)~~] the franchised dealers with whom the  
10 distributor will do business.

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

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

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

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

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

1 chapter.

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

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

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

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

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

18 (2) the dealer in connection with the manufacturer's  
19 warranty agreements [~~on file with the board~~].

20 SECTION 14. Section 2301.358(a), Occupations Code, is  
21 amended to read as follows:

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

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

1 (2) the department grants written approval.

2 SECTION 15. Section 2301.401, Occupations Code, is amended  
3 to read as follows:

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

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

11 (2) vehicle preparation and delivery obligations.

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

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

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

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

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

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

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

10 [~~(1)~~] terminates or discontinues a franchise by [~~any~~  
11 ~~means without complying with Section 2301.453, or~~

12 [~~(2) regardless of whether the manufacturer,~~  
13 ~~distributor, or representative complies with Section 2301.453,~~  
14 ~~terminates or discontinues a franchise by]:~~

15 (1) [~~(A)~~] discontinuing a line-make;

16 (2) [~~(B)~~] ceasing to do business in this state; or

17 (3) [~~(C)~~] changing the distributor or method of  
18 distribution of its products in this state.

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

21 (b) In a hearing [~~before the director~~] under this  
22 subchapter, a manufacturer, converter, or distributor may plead and  
23 prove as an affirmative defense to a remedy under this subchapter  
24 that a nonconformity:

25 (1) is the result of abuse, neglect, or unauthorized  
26 modification or alteration of the motor vehicle; or

27 (2) does not substantially impair the use or market

1 value of the motor vehicle.

2 (c) The board or a person delegated power from the board  
3 under Section 2301.154 [~~director~~] may not issue an order requiring  
4 a manufacturer, converter, or distributor to make a refund or to  
5 replace a motor vehicle unless:

6 (1) the owner or a person on behalf of the owner has  
7 mailed written notice of the alleged defect or nonconformity to the  
8 manufacturer, converter, or distributor; and

9 (2) the manufacturer, converter, or distributor has  
10 been given an opportunity to cure the alleged defect or  
11 nonconformity.

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

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

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

27 Sec. 2301.608. ASSESSMENT OF COSTS FOR REPLACEMENT OR

1 REFUND. (a) In an order issued under this subchapter, the board or  
2 a person delegated power from the board under Section 2301.154  
3 ~~[director]~~ shall name the person responsible for paying the cost of  
4 any refund or replacement. A manufacturer, converter, or  
5 distributor may not cause a franchised dealer to directly or  
6 indirectly pay any money not specifically ordered by the board or a  
7 person delegated power from the board under Section 2301.154  
8 ~~[director]~~.

9 (b) If the board or a person delegated power from the board  
10 under Section 2301.154 ~~[director]~~ orders a manufacturer,  
11 converter, or distributor to make a refund or replace a motor  
12 vehicle under this subchapter, the board or person ~~[director]~~ may  
13 order the franchised dealer to reimburse the owner, lienholder,  
14 manufacturer, converter, or distributor only for an item or option  
15 added to the vehicle by the dealer to the extent that the item or  
16 option contributed to the defect that served as the basis for the  
17 order.

18 (c) In a case involving a leased vehicle, the board or a  
19 person delegated power from the board under Section 2301.154  
20 ~~[director]~~ may terminate the lease and apportion allowances or  
21 refunds, including the reasonable allowance for use, between the  
22 lessee and lessor of the vehicle.

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

25 (a) A party to a proceeding ~~[before the director]~~ under this  
26 subchapter that is affected by a final order related to the  
27 proceeding ~~[of the director]~~ is entitled to judicial review of the

1 order under the substantial evidence rule in a district court of  
2 Travis County.

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

5 (a) A manufacturer, distributor, or converter that has been  
6 ordered to repurchase or replace a vehicle shall, through its  
7 franchised dealer, issue a disclosure statement stating that the  
8 vehicle was repurchased or replaced by the manufacturer,  
9 distributor, or converter under this subchapter. The statement  
10 must accompany the vehicle through the first retail purchase  
11 following the issuance of the statement and must include the  
12 ~~[board's]~~ toll-free telephone number described by Subsection (d)  
13 that will enable the purchaser to obtain information about the  
14 condition or defect that was the basis of the order for repurchase  
15 or replacement.

16 (d) The department ~~[board]~~ shall maintain a toll-free  
17 telephone number to provide information to a person who requests  
18 information about a condition or defect that was the basis for  
19 repurchase or replacement by an order issued under this chapter ~~[of~~  
20 ~~the director]~~. The department ~~[board]~~ shall maintain an effective  
21 method of providing information to a person who makes a request.

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

24 (d) A license may not be denied, revoked, or suspended, and  
25 disciplinary action may not be taken under this subchapter, unless  
26 the respondent is given an opportunity for a hearing. The board may  
27 deny, revoke, or suspend a license or take disciplinary action by

1 ~~[except on]~~ order only ~~[of the board]~~ after the department grants  
2 the respondent an opportunity for a hearing.

3 SECTION 25. Section 2301.703(a), Occupations Code, is  
4 amended to read as follows:

5 (a) A hearing ~~[shall be conducted in any contested case]~~  
6 arising under this chapter or a board rule adopted under this  
7 chapter ~~[. The hearing]~~ must be conducted in accordance with this  
8 chapter, any order, decision, or rule of the board, and Chapter  
9 2001, Government Code.

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

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

18 ~~[(b)]~~ In reviewing a [the] case under this subchapter, the  
19 board or a person delegated power from the board under Section  
20 2301.154 may consider only materials that are submitted timely.

21 (b) ~~[(c)]~~ The board or a person delegated power from the  
22 board under Section 2301.154 may hear such oral argument from any  
23 party as the board may allow.

24 (c) ~~[(d)]~~ The board or a person delegated power from the  
25 board under Section 2301.154 shall take any further action  
26 conducive to the issuance of a final order and shall issue a written  
27 final decision or order. A majority vote of a quorum of the board is

1 required to adopt a final decision or order of the board.

2 SECTION 27. Section 2301.710, Occupations Code, is amended  
3 to read as follows:

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

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

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

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

19 (1) include a separate finding of fact with respect to  
20 each specific issue [~~the board is~~] required by law to be considered  
21 [~~consider~~] in reaching a decision;

22 (2) set forth additional findings of fact and  
23 conclusions of law on which the order or decision is based;

24 (3) give the reasons for the particular actions taken;  
25 and

26 (4) be signed by the presiding officer or assistant  
27 presiding officer for the board or other person delegated final

1 order authority under Section 2301.154~~[+~~

2 ~~[(5) be attested to by the director, and~~

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

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

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

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

12 Sec. 2301.713. REHEARING. (a) Except as provided by  
13 Subsection (b), a [A] party who seeks a rehearing of an order shall  
14 seek the rehearing in accordance with Chapter 2001, Government  
15 Code.

16 (b) The board by rule may establish a procedure to allow  
17 parties to contested cases in which the final order is issued by a  
18 person to whom final order authority is delegated under Section  
19 2301.154 to file motions for rehearing with the board.

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

22 (a) A party to a proceeding affected by a final order, rule,  
23 or decision or other final action of the board ~~[or director under~~  
24 ~~this chapter or under another law]~~ with respect to a matter arising  
25 under this chapter or Chapter 503, Transportation Code, may seek  
26 judicial review of the action under the substantial evidence rule  
27 in:

- 1           (1) a district court in Travis County; or  
2           (2) the court of appeals for the Third Court of Appeals  
3 District.

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

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

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

12          (d) An interlocutory cease and desist order remains in  
13 effect until vacated or incorporated in a final order [~~of the~~  
14 ~~board~~]. An appeal of an interlocutory cease and desist order must  
15 be made to the board before seeking judicial review as provided by  
16 this chapter.

17          (e) A permanent cease and desist order may be issued  
18 regardless of the requirements of Subsection (b) but only under the  
19 procedures for a final order [~~by the board~~] under this chapter. An  
20 appeal of a permanent cease and desist order is made in the same  
21 manner as an appeal of a final order under this chapter.

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

24          (a) On the initiation of a [~~board~~] proceeding under this  
25 chapter or Chapter 503, Transportation Code, whether by complaint,  
26 protest, or otherwise, a person who receives notice from the board  
27 of a statutory stay imposed by this chapter may not allow or commit

1 any act or omission that would:

2 (1) violate this chapter, Chapter 503, Transportation  
3 Code, [~~or~~] any rule, order, or decision of the board, or an order or  
4 decision of a person delegated power from the board under Section  
5 2301.154;

6 (2) affect a legal right, duty, or privilege of any  
7 party to a proceeding under this chapter or Chapter 503,  
8 Transportation Code [~~before the board~~]; or

9 (3) tend to render ineffectual an [~~a board~~] order in a  
10 pending proceeding.

11 SECTION 35. Sections 2301.804(a) and (b), Occupations Code,  
12 are amended to read as follows:

13 (a) If it appears that a person has violated, is violating,  
14 or is threatening to violate this chapter, Chapter 503,  
15 Transportation Code, [~~or~~] a board rule adopted under this chapter  
16 or Chapter 503, Transportation Code, or an order issued under this  
17 chapter or Chapter 503, Transportation Code, the board or the  
18 executive director, if authorized by the presiding officer of the  
19 board, may cause a suit to be instituted in a court for:

20 (1) injunctive relief to restrain the person from  
21 committing the violation or threat of violation;

22 (2) imposition of a civil penalty; or

23 (3) both injunctive relief and a civil penalty.

24 (b) At the request of the board or the executive director,  
25 if authorized by the presiding officer of the board, the attorney  
26 general shall bring in the name of the state a suit for an  
27 injunction or a civil penalty as described by Subsection (a).

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

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

7 SECTION 37. Section 2305.001, Occupations Code, is amended  
8 by adding Subdivisions (5) and (6) to read as follows:

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

11 (6) "Department" means the Texas Department of Motor  
12 Vehicles.

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

15 (a) Except as provided by Subsection (b), for the purpose of  
16 enforcing or administering this chapter, Chapter 2302 of this code,  
17 or Chapter 501 or 502, Transportation Code, a member of the board  
18 [~~Texas Transportation Commission~~], an employee of the department  
19 [~~Texas Transportation Commission or Texas Department of~~  
20 ~~Transportation~~], a member of the Public Safety Commission, an  
21 officer of the Department of Public Safety, or another peace  
22 officer who is interested in tracing or locating a stolen motor  
23 vehicle may at a reasonable time:

24 (1) enter the premises of a business regulated under  
25 one of those chapters; and

26 (2) inspect or copy any document, record, vehicle,  
27 part, or other item regulated under one of those chapters.

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

3 SUBCHAPTER L. ELECTRONIC ISSUANCE OF OUTDOOR ADVERTISING LICENSES

4 SECTION 40. Section 201.931(2), Transportation Code, is  
5 amended to read as follows:

6 (2) "License" means ~~[includes:~~

7 ~~[(A) a permit issued by the department that~~  
8 ~~authorizes the operation of a vehicle and its load or a combination~~  
9 ~~of vehicles and load exceeding size or weight limitations; and~~

10 ~~[(B)]~~ a license or permit for outdoor advertising  
11 issued under Chapter 391 or 394.

12 SECTION 41. Section 501.021(a), Transportation Code, is  
13 amended to read as follows:

14 (a) A motor vehicle title issued by the department must  
15 include:

16 (1) the legal name and address of each purchaser and  
17 seller at the first sale or a subsequent sale;

18 (2) the make of the motor vehicle;

19 (3) the body type of the vehicle;

20 (4) the manufacturer's permanent vehicle  
21 identification number of the vehicle or the vehicle's motor number  
22 if the vehicle was manufactured before the date that stamping a  
23 permanent identification number on a motor vehicle was universally  
24 adopted;

25 (5) the serial number for the vehicle;

26 (6) the name and address of each lienholder and the  
27 date of each lien on the vehicle, listed in the chronological order

1 in which the lien was recorded;

2 (7) a statement indicating rights of survivorship  
3 under Section 501.031;

4 (8) if the vehicle has an odometer, the odometer  
5 reading at the time of application for the title; and

6 (9) any other information required by the department.

7 SECTION 42. Sections 501.022(a) and (b), Transportation  
8 Code, are amended to read as follows:

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

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

12 (2) may not operate or permit the operation of the  
13 vehicle on a public highway until the owner [~~obtains~~]:

14 (A) applies for title and registration for the  
15 vehicle; or

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

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

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

24 (a) The owner of a motor vehicle must present identification  
25 and apply for a title as prescribed by the department, unless  
26 otherwise exempted by law. To obtain a title, the owner must  
27 apply:

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

3                   (A) the owner is domiciled; or

4                   (B) the motor vehicle is purchased or encumbered;  
5 ~~[or]~~

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

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

13                   (B) is inoperable for a protracted period of  
14 time; or

15                   (3) if the county assessor-collector's office of the  
16 county in which the owner resides is closed for a protracted period  
17 of time as defined by the department, to the county  
18 assessor-collector of a county that borders the county in which the  
19 owner resides who agrees to accept the application.

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

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

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

25                   (2) for which the title has been surrendered in  
26 exchange for:

27                   (A) a salvage vehicle title or salvage record of

1 title issued under this chapter;

2 (B) a nonrepairable vehicle title or  
3 nonrepairable vehicle record of title issued under this chapter or  
4 Subchapter D, Chapter 683; or

5 (C) an ownership document issued by another state  
6 that is comparable to a document described by Paragraph (A) or (B);

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

8 (4) purchased by a commercial fleet buyer who:

9 (A) is a [full-service] deputy authorized by  
10 rules adopted under Section 520.0071;

11 (B) [520.008 and who] utilizes the dealer title  
12 application process developed to provide a method to submit title  
13 transactions to the county in which the commercial fleet buyer is a  
14 [full-service] deputy; and

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

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

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

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

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

1           (1) provides that if the agreement is between two or  
2 more eligible persons, the motor vehicle will be owned [~~is held~~  
3 ~~jointly~~] by the surviving owners when one or more of the owners die  
4 [~~those persons with the interest of a person who dies to transfer to~~  
5 ~~the surviving person or persons~~]; and

6           (2) provides for the acknowledgment by signature,  
7 either electronically or by hand, of the persons.

8           (c) Ownership of the vehicle may be transferred only:

9           (1) by all the persons acting jointly, if all the  
10 persons are alive; or [~~and~~]

11           (2) on the death of one of the persons, by the  
12 surviving person or persons by transferring ownership of the  
13 vehicle, in the manner otherwise required by law, with a copy of the  
14 death certificate of the deceased person.

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

18           (a) On proper application, the department shall assign a  
19 vehicle identification number to a travel trailer, a trailer or  
20 semitrailer [~~that has a gross vehicle weight that exceeds 4,000~~  
21 ~~pounds~~], a frame, or an item of equipment, including a tractor, farm  
22 implement, unit of special mobile equipment, or unit of off-road  
23 construction equipment [~~on which~~]:

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

26           (2) on which a vehicle identification number  
27 die-stamped by the manufacturer has been lost, removed, or

1 obliterated; or

2 (3) for which a vehicle identification number was  
3 never assigned.

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

7 (d) Only the department may issue vehicle identification  
8 numbers.

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

11 (a) A person determined by law enforcement or a court to be  
12 the owner of a motor vehicle, travel trailer, semitrailer, or  
13 trailer, a part of a motor vehicle, travel trailer, semitrailer, or  
14 trailer, a frame, or an item of equipment including a tractor, farm  
15 implement, unit of special mobile equipment, or unit of off-road  
16 construction equipment may apply to the department for an assigned  
17 vehicle identification number that has been removed, altered, [~~or~~]  
18 obliterated, or has never been assigned.

19 SECTION 49. Subchapter B, Chapter 501, Transportation Code,  
20 is amended by adding Section 501.037 to read as follows:

21 Sec. 501.037. TITLE FOR TRAILERS. (a) Notwithstanding any  
22 other provision of this chapter, the department may issue a title  
23 for a trailer that has a gross vehicle weight of 4,000 pounds or  
24 less if all other requirements for issuance of a title are met.

25 (b) To obtain a title under this section, the owner of the  
26 trailer must:

27 (1) apply for the title in the manner required by

1 Section 501.023; and

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

3 SECTION 50. The heading to Subchapter C, Chapter 501,  
4 Transportation Code, is amended to read as follows:

5 SUBCHAPTER C. REFUSAL TO ISSUE, ~~[AND]~~ REVOCATION, ~~[OR]~~ SUSPENSION,  
6 OR ALTERATION OF CERTIFICATE

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

9 (b) The department may rescind, cancel, or revoke an  
10 application for a title if a notarized or county-stamped affidavit  
11 is presented containing:

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

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

16 (3) a statement that the vehicle:

17 (A) was never in the possession of the title  
18 applicant; or

19 (B) was in the possession of the title applicant;  
20 and

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

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

25 (e) An applicant aggrieved by the determination under  
26 Subsection (d) may appeal only to the county or district court of  
27 the county of the applicant's residence. An applicant must file an

1 appeal not later than the fifth day after the date of the  
2 assessor-collector's determination. The [~~county court~~] judge  
3 shall try the appeal in the manner of other civil cases. All rights  
4 and immunities granted in the trial of a civil case are available to  
5 the interested parties. If the department's action is not  
6 sustained, the department shall promptly issue a title for the  
7 vehicle.

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

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

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

16 (1) a nonrepairable vehicle titled after September 1,  
17 2003; or

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

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

22 (a) As an alternative to the procedure provided by Section  
23 501.052, the person may obtain a title by filing [~~file~~] a bond with  
24 the department if the vehicle is in the possession of the applicant  
25 and:

26 (1) there is no security interest on the vehicle;

27 (2) any lien on the vehicle is at least 10 years old;

1 or

2 (3) the person provides a release of all liens with  
3 bond. [~~On the filing of the bond the person may obtain a title.~~]

4 SECTION 55. Section 501.076(c), Transportation Code, is  
5 amended to read as follows:

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

8 (1) the person may be a person who has been deputized  
9 [~~appointed by the commissioners court as a deputy~~] to perform  
10 vehicle registration functions as authorized by rules adopted under  
11 Section 520.0071 [~~520.0091~~], a licensed vehicle auction company  
12 holding a wholesale general distinguishing number under Section  
13 503.022, a person who has a permit similar to one of the foregoing  
14 that is issued by the state in which the owner is located, or  
15 another person authorized by law to execute title documents in the  
16 state in which the owner executes the documents; and

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

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

26 (b) A person [~~An owner~~], other than a salvage vehicle  
27 dealer, a used automotive parts recycler, or an insurance company

1 licensed to do business in this state, who acquired ownership of a  
2 nonrepairable or salvage motor vehicle that has not been issued a  
3 nonrepairable vehicle title, nonrepairable record of title,  
4 salvage vehicle title, salvage record of title, or a comparable  
5 ownership document issued by another state or jurisdiction shall,  
6 before selling the motor vehicle, surrender the properly assigned  
7 title for the motor vehicle to the department and apply to the  
8 department for the appropriate ownership document.

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

11 (a) The owner of a motor [A] vehicle for which a  
12 nonrepairable vehicle [~~certificate of~~] title issued prior to  
13 September 1, 2003, or for which a salvage vehicle title or salvage  
14 record of title has been issued may apply for [~~obtain~~] a title after  
15 the motor vehicle has been repaired, rebuilt, or reconstructed and,  
16 in addition to any other requirement of law, only if the  
17 application:

18 (1) describes each major component part used to repair  
19 the motor vehicle;

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

22 (3) shows the identification number required by  
23 federal law to be affixed to or inscribed on the part.

24 (d) In addition to the fee described by Subsection (b), the  
25 applicant shall pay a \$65 rebuilder fee. The applicant shall  
26 include the fee with the statement submitted under Section 502.156  
27 for the vehicle.

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

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

18 SECTION 59. Subchapter G, Chapter 501, Transportation Code,  
19 is amended by adding Section 501.139 to read as follows:

20 Sec. 501.139. ELECTRONIC FUNDS TRANSFER. A county  
21 assessor-collector that transfers money to the department under  
22 this chapter shall transfer the money electronically.

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

25 (d) A late fee imposed under this section may not exceed  
26 \$250.

27 SECTION 61. Section 501.173, Transportation Code, is

1 amended by adding Subsection (c) to read as follows:

2 (c) In addition to other title fees, the board by rule may  
3 set a fee to be assessed for the issuance of a paper title to cover  
4 the cost of administering the electronic titling system.

5 SECTION 62. Section 502.001, Transportation Code, is  
6 amended by amending Subdivision (7) and adding Subdivision (39-a)  
7 to read as follows:

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

14 (39-a) "Shipping weight" means the weight generally  
15 accepted as the empty weight of a vehicle.

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

18 (b) The application must be accompanied by personal  
19 identification as determined by department rule and made in a  
20 manner prescribed by the department:

21 (1) through the county assessor-collector of the  
22 county in which the owner resides; [~~or~~]

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

27 (A) continues to be declared by the governor as a

1 disaster area because the county has been rendered inoperable by  
2 the disaster; and

3 (B) is inoperable for a protracted period of  
4 time; or

5 (3) if the county assessor-collector's office in which  
6 the owner resides is closed for a protracted period of time as  
7 defined by the department, to the county assessor-collector of a  
8 county that borders the county in which the owner resides who agrees  
9 to accept the application.

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

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

16 (2) registering a [~~motor~~] vehicle under this section.

17 SECTION 64. The heading to Section 502.043, Transportation  
18 Code, is amended to read as follows:

19 Sec. 502.043. APPLICATION FOR REGISTRATION AND CERTAIN  
20 PERMITS.

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

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

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

1           (2) contain a full description of the vehicle as  
2 required by department rule.

3           (b) The department shall deny the registration of or  
4 permitting under Section 502.094 or 502.095 of a commercial motor  
5 vehicle, truck-tractor, trailer, or semitrailer if the applicant:

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

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

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

18           (4) fails to deliver to the county assessor-collector  
19 proof of the weight of the vehicle, the maximum load to be carried  
20 on the vehicle, and the gross weight for which the vehicle is to be  
21 registered.

22           (c) In lieu of filing an application during a year as  
23 provided by Subsection (a), the owner of a vehicle registered in any  
24 state for that year or the preceding year may present:

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

27           (2) other evidence satisfactory to the county

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

2 (c-1) A ~~[The]~~ county assessor-collector shall accept a  
3 ~~[the]~~ receipt or evidence provided under Subsection (c) as an  
4 application for renewal of the registration if the receipt or  
5 evidence indicates the applicant owns the vehicle. This section  
6 allows issuance for registration purposes only but does not  
7 authorize the department to issue a title.

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

10 Sec. 502.055. DETERMINATION OF WEIGHT AND SEATING CAPACITY.

11 SECTION 67. Section 502.055, Transportation Code, is  
12 amended by adding Subsections (c) and (d) to read as follows:

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

15 (1) the manufacturer's rated seating capacity,  
16 excluding the operator's seat; or

17 (2) if the manufacturer has not rated the vehicle for  
18 seating capacity, a number computed by allowing one passenger for  
19 each 16 inches of seating on the bus, excluding the operator's seat.

20 (d) For registration purposes:

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

23 (2) the weight of a municipal bus or private bus is  
24 calculated by adding the following and rounding to the next highest  
25 100 pounds:

26 (A) the shipping weight of the bus; and

27 (B) the seating capacity multiplied by 150

1 pounds.

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

4 (b) The department shall issue a receipt for a permit issued  
5 ~~[distinguishing insignia for a vehicle issued a permit]~~ under this  
6 section in a manner provided by the department. The permit receipt  
7 must contain the information required by this section and be  
8 carried in the vehicle for which it is issued at all times during  
9 which it is valid. ~~[The insignia must be attached to the vehicle in~~  
10 ~~lieu of regular license plates and must show the permit expiration~~  
11 ~~date.]~~ A permit issued under this section is valid until the  
12 earlier of:

13 (1) the date the vehicle's registration in the owner's  
14 home state or country expires; or

15 (2) the 30th day after the date the permit is issued.

16 SECTION 69. Sections 502.094(c) and (d), Transportation  
17 Code, are amended to read as follows:

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

19 (1) applying to the county assessor-collector or [7]  
20 the department [~~or the department's wire service agent, if the~~  
21 ~~department has a wire service agent~~];

22 (2) paying a fee of \$25 for a 72-hour permit or \$50 for  
23 a 144-hour permit in the manner prescribed by the department that  
24 may include a service charge for a credit card payment or escrow  
25 account;

26 (3) furnishing to the county assessor-collector or [7]  
27 the department [~~or the department's wire service agent,~~] evidence

1 of financial responsibility for the vehicle that complies with  
2 Sections 502.046(c) and 601.168(a); and

3 (4) submitting a copy of the applicable federal  
4 declaration form required by the Federal Motor Carrier Safety  
5 Administration or its successor in connection with the importation  
6 of a motor vehicle or motor vehicle equipment subject to the federal  
7 motor vehicle safety, bumper, and theft prevention standards.

8 (d) A county assessor-collector shall report and send a fee  
9 collected under this section in the manner provided by Section  
10 502.198. [~~Each week, a wire service agent shall send to the~~  
11 ~~department a report of all permits issued by the agent during the~~  
12 ~~previous week.~~] The board by rule shall prescribe the format and  
13 content of a report required by this subsection.

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

16 Sec. 502.168. FEE: MOTOR BUS. The fee for a registration  
17 year for registration of a motor bus is the fee prescribed by  
18 Section 502.252 [~~502.161~~] or 502.253 [~~502.162~~], as applicable.

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

21 Sec. 502.199. ELECTRONIC FUNDS TRANSFER. A county  
22 assessor-collector that transfers money to the department under  
23 this chapter shall transfer the money electronically.

24 SECTION 72. Section 502.433(a), Transportation Code, is  
25 amended to read as follows:

26 (a) The registration fee for a commercial motor vehicle as a  
27 farm vehicle is 50 percent of the applicable fee under Section

1 502.252 or 502.253, as applicable, if the vehicle's owner will use  
2 the vehicle for commercial purposes only to transport:

3 (1) the person's own poultry, dairy, livestock,  
4 livestock products, timber in its natural state, or farm products  
5 to market or another place for sale or processing;

6 (2) laborers from their place of residence to the  
7 owner's farm or ranch; or

8 (3) without charge, materials, tools, equipment, or  
9 supplies from the place of purchase or storage to the owner's farm  
10 or ranch exclusively for the owner's use or for use on the farm or  
11 ranch.

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

14 (d) A court may dismiss a charge brought under Subsection  
15 (a) if the defendant pays an administrative fee not to exceed \$10  
16 and:

17 (1) remedies the defect before the defendant's first  
18 court appearance; or

19 (2) shows that the motor vehicle was issued a  
20 registration insignia by the department that was attached to the  
21 motor vehicle, establishing that the vehicle was registered for the  
22 period during which the offense was committed~~[, and~~

23 ~~[(2) pays an administrative fee not to exceed \$10].~~

24 SECTION 74. Subchapter K, Chapter 502, Transportation Code,  
25 is amended by adding Section 502.4755 to read as follows:

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

1           (1) manufactures, sells, or possesses a registration  
2 insignia deceptively similar to the registration insignia of the  
3 department; or

4           (2) makes a copy or likeness of an insignia  
5 deceptively similar to the registration insignia of the department  
6 with intent to sell the copy or likeness.

7           (b) For the purposes of this section, an insignia is  
8 deceptively similar to the registration insignia of the department  
9 if the insignia is not prescribed by the department but a reasonable  
10 person would presume that it was prescribed by the department.

11           (c) A district or county court, on application of the  
12 attorney general or of the district attorney or prosecuting  
13 attorney performing the duties of the district attorney for the  
14 district in which the court is located, may enjoin a violation or  
15 threatened violation of this section on a showing that a violation  
16 has occurred or is likely to occur.

17           (d) It is an affirmative defense to a prosecution under this  
18 section that the insignia was produced pursuant to a licensing  
19 agreement with the department.

20           (e) An offense under this section is:

21           (1) a felony of the third degree if the person  
22 manufactures or sells a deceptively similar registration insignia;  
23 or

24           (2) a Class C misdemeanor if the person possesses a  
25 deceptively similar registration insignia, except that the offense  
26 is a Class B misdemeanor if the person has previously been convicted  
27 of an offense under this subdivision.

1 SECTION 75. Section 502.491, Transportation Code, as  
2 redesignated from Section 502.451, Transportation Code, by Chapter  
3 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session,  
4 2011, is reenacted to incorporate amendments to Section 502.451,  
5 Transportation Code, made by Chapters 432 (S.B. 1057) and 1296  
6 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011,  
7 and amended to read as follows:

8 Sec. 502.491. TRANSFER OF VEHICLE REGISTRATION. (a) On the  
9 sale or transfer of a [motor] vehicle, the registration insignia  
10 issued for the [motor] vehicle shall be removed. The registration  
11 period remaining at the time of sale or transfer expires at the time  
12 of sale or transfer.

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

16 (b) On a sale or transfer of a [motor] vehicle in which  
17 neither party holds a general distinguishing number issued under  
18 Chapter 503, the part of the registration period remaining at the  
19 time of the sale or transfer shall continue with the vehicle being  
20 sold or transferred and does not transfer with the license plates or  
21 registration validation insignia. To continue the remainder of the  
22 registration period, the purchaser or transferee must file the  
23 documents required under Section 501.145.

24 (c) On the sale or transfer of a [motor] vehicle to a dealer,  
25 as defined by Section 503.001, who holds a general distinguishing  
26 number issued under Chapter 503, the registration period remaining  
27 at the time of the sale or transfer expires at the time of the sale

1 or transfer. On the sale of a used [~~motor~~] vehicle by a dealer, the  
2 dealer shall issue to the buyer new registration documents for an  
3 entire registration year.

4 (d) If the transferor has paid for more than one year of  
5 registration, the department may credit the transferor for any time  
6 remaining on the registration in annual increments.

7 SECTION 76. Sections 503.009(a), (c), and (d),  
8 Transportation Code, are amended to read as follows:

9 (a) The board [~~department's Motor Vehicle Board~~] may  
10 conduct hearings in contested cases brought under this chapter  
11 [~~and~~] as provided by this chapter and Chapter 2301, Occupations  
12 Code.

13 (c) A decision or final order issued under this section is  
14 final and may not be appealed, as a matter of right, to the board  
15 [~~commission~~].

16 (d) The board [~~department's Motor Vehicle Board~~] may adopt  
17 rules for the procedure, a hearing, or an enforcement proceeding  
18 for an action brought under this section.

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

21 (e) Other than license plates issued under Subsection (h),  
22 license plates issued under this section must include:

23 (1) the letters "DV" [~~as a prefix or suffix to any~~  
24 ~~numeral~~] on the plate if the plate is issued for a vehicle other  
25 than a motorcycle; and

26 (2) the words "Disabled Veteran" and "U.S. Armed  
27 Forces" at the bottom of each license plate.

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

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

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

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

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

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

26 SECTION 81. Subchapter G, Chapter 504, Transportation Code,  
27 is amended by adding Section 504.663 to read as follows:

1       Sec. 504.663. BIG BROTHERS BIG SISTERS LICENSE PLATES. (a)

2       The department shall issue specialty license plates in recognition  
3       of the mentoring efforts of Big Brothers Big Sisters of America  
4       organizations operating in this state. The department shall design  
5       the license plates in consultation with a representative from a Big  
6       Brothers Big Sisters of America organization operating in this  
7       state and the attorney general.

8       (b) After deduction of the department's administrative  
9       costs, the remainder of the fee for issuance of the license plates  
10       shall be deposited to the credit of the Specialty License Plates  
11       General Account in the general revenue fund. Money deposited to the  
12       credit of the Specialty License Plates General Account under this  
13       section may be used only by the attorney general to provide grants  
14       to benefit Big Brothers Big Sisters of America organizations  
15       operating in this state.

16       SECTION 82. Section 504.901, Transportation Code, is  
17 amended by adding Subsection (e) to read as follows:

18       (e) This section applies only to:

19               (1) a passenger vehicle with a gross weight of 6,000  
20       pounds or less; and

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

23       SECTION 83. Section 504.945(d), Transportation Code, is  
24 amended to read as follows:

25       (d) A court may dismiss a charge brought under Subsection  
26 (a)(3), (5), (6), or (7) if the defendant:

27               (1) remedies the defect before the defendant's first

1 court appearance; [~~and~~]

2 (2) pays an administrative fee not to exceed \$10; and

3 (3) shows that the vehicle was issued a plate by the  
4 department that was attached to the vehicle, establishing that the  
5 vehicle was registered for the period during which the offense was  
6 committed.

7 SECTION 84. Subchapter L, Chapter 504, Transportation Code,  
8 is amended by adding Sections 504.946, 504.947, and 504.948 to read  
9 as follows:

10 Sec. 504.946. DECEPTIVELY SIMILAR LICENSE PLATE. (a) A  
11 person commits an offense if the person:

12 (1) manufactures, sells, or possesses a license plate  
13 deceptively similar to a license plate issued by the department; or

14 (2) makes a copy or likeness of a license plate  
15 deceptively similar to a license plate issued by the department  
16 with intent to sell the copy or likeness.

17 (b) For the purposes of this section, a license plate is  
18 deceptively similar to a license plate issued by the department if  
19 it is not prescribed by the department but a reasonable person would  
20 presume that it was prescribed by the department.

21 (c) A district or county court, on application of the  
22 attorney general or of the district attorney or prosecuting  
23 attorney performing the duties of the district attorney for the  
24 district in which the court is located, may enjoin a violation or  
25 threatened violation of this section on a showing that a violation  
26 has occurred or is likely to occur.

27 (d) It is an affirmative defense to a prosecution under this

1 section that the license plate was produced pursuant to a licensing  
2 agreement with the department.

3 (e) An offense under this section is:

4 (1) a felony of the third degree if the person  
5 manufactures or sells a deceptively similar license plate; or

6 (2) a Class C misdemeanor if the person possesses a  
7 deceptively similar license plate, except that the offense is a  
8 Class B misdemeanor if the person has previously been convicted of  
9 an offense under this subdivision.

10 Sec. 504.947. LICENSE PLATE FLIPPER; OFFENSE. (a) In this  
11 section "license plate flipper" means a manual, electric, or  
12 mechanical device designed or adapted to be installed on a motor  
13 vehicle and:

14 (1) switch between two or more license plates for the  
15 purpose of allowing a motor vehicle operator to change the license  
16 plate displayed on the operator's vehicle; or

17 (2) hide a license plate from view by flipping the  
18 license plate so that the license plate number is not visible.

19 (b) A person commits an offense if the person with criminal  
20 negligence uses, purchases, possesses, manufactures, sells, offers  
21 to sell, or otherwise distributes a license plate flipper. An  
22 offense under this subsection is a Class C misdemeanor, except that  
23 the offense is a Class B misdemeanor if the person has previously  
24 been convicted of an offense under this subsection.

25 Sec. 504.948. GENERAL PENALTY. (a) A person commits an  
26 offense if the person violates a provision of this chapter and no  
27 other penalty is prescribed for the violation.

1       (b) An offense under Subsection (a) is a misdemeanor  
2 punishable by a fine of not less than \$5 or more than \$200.

3       SECTION 85. Section 520.001, Transportation Code, is  
4 amended to read as follows:

5       Sec. 520.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

6           (1) "Board" means the board of the Texas Department of  
7 Motor Vehicles.

8           (2) "Department" [~~,"department"~~] means the Texas  
9 Department of Motor Vehicles.

10       SECTION 86. Section 520.003, Transportation Code, is  
11 amended to read as follows:

12       Sec. 520.003. RULES; [WAIVER OF] FEES; REFUNDS. (a) The  
13 department may adopt rules to administer this chapter, including  
14 rules that:

15           (1) waive the payment of fees if a dealer has gone out  
16 of business and the applicant can show that fees were paid to the  
17 dealer; and

18           (2) allow full and partial refunds for rejected  
19 titling and registration transactions.

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

26       SECTION 87. Section 520.005, Transportation Code, is  
27 amended by amending Subsection (c) and adding Subsection (d) to

1 read as follows:

2 (c) Notwithstanding the requirements of Section 520.0071  
3 [~~Sections 520.008 and 520.0091~~], the assessor-collector may  
4 license franchised and non-franchised motor vehicle dealers to  
5 title and register motor vehicles in accordance with rules adopted  
6 under Section 520.004. The county assessor-collector may pay a fee  
7 to a motor vehicle dealer independent of or as part of the portion  
8 of the fees that would be collected by the county for each title and  
9 registration receipt issued.

10 (d) Each county assessor-collector shall process a  
11 registration renewal through an online system designated by the  
12 department.

13 SECTION 88. Section 520.006(a-1), Transportation Code, as  
14 added by Chapters 1290 (H.B. 2017) and 1296 (H.B. 2357), Acts of the  
15 82nd Legislature, Regular Session, 2011, is reenacted and amended  
16 to read as follows:

17 (a-1) A county assessor-collector collecting fees on behalf  
18 of a county that has been declared as a disaster area or that is  
19 closed for a protracted period of time as defined by the department  
20 for purposes of Section 501.023 or 502.040 may retain the  
21 commission for fees collected, but shall allocate the fees to the  
22 county declared as a disaster area or that is closed for a  
23 protracted period of time.

24 SECTION 89. Subchapter A, Chapter 520, Transportation Code,  
25 is amended by adding Section 520.0061 to read as follows:

26 Sec. 520.0061. CONTRACTS BETWEEN COUNTIES. (a) A county  
27 tax assessor-collector, with approval of the commissioners court of

1 the county by order, may enter into an agreement with one or more  
2 counties to perform mail-in or online registration or titling  
3 duties.

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

6 SECTION 90. Subchapter A, Chapter 520, Transportation Code,  
7 is amended by adding Section 520.0071 to read as follows:

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

10 (1) the classification types of deputies performing  
11 titling and registration duties;

12 (2) the duties and obligations of deputies;

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

16 (4) the fees that may be charged or retained by  
17 deputies.

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

22 SECTION 91. The heading to Section 520.0093, Transportation  
23 Code, is amended to read as follows:

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

25 SECTION 92. Section 520.0093, Transportation Code, is  
26 amended by amending Subsections (a), (c), and (e) and adding  
27 Subsection (b-1) to read as follows:

1           (a) The department may [~~This section applies only to the~~  
2 lease [~~of~~] equipment and provide related services to a:

3               (1) county for the operation of the automated  
4 registration and titling system in addition to the equipment  
5 provided by the department at no cost to the county under a formula  
6 prescribed by the department; and

7               (2) deputy appointed under Section 520.0071.

8           **(b-1) On the request of a deputy appointed under Section**  
9 **520.0071, the department may enter into an agreement under which**  
10 **the department leases equipment to the deputy for the use of the**  
11 **deputy in operating the automated registration and titling system.**  
12 **The department may require the deputy to post a bond in an amount**  
13 **equal to the value of the equipment.**

14           (c) A county may install equipment leased under this section  
15 at offices of the county or of an agent of the county. A deputy  
16 appointed under Section 520.0071 may install equipment leased under  
17 this section on the premises described in the agreement.

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

23           SECTION 93. Section 520.016(c), Transportation Code, is  
24 amended to read as follows:

25           (c) This section does not apply to a violation of Section  
26 520.006 or a rule adopted under Section 520.0071 [~~520.008,~~  
27 ~~520.009, 520.0091, or 520.0092~~].

1 SECTION 94. Subchapter D, Chapter 551, Transportation Code,  
2 is amended by adding Section 551.304 to read as follows:

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

5 (1) in a master planned community:

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

8 (B) for which a county or municipality has  
9 approved a plat;

10 (2) on a public or private beach; or

11 (3) on a public highway for which the posted speed  
12 limit is not more than 35 miles per hour, if the neighborhood  
13 electric vehicle is operated:

14 (A) during the daytime; and

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

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

20 SECTION 95. Section 551.402, Transportation Code, is  
21 amended to read as follows:

22 Sec. 551.402. REGISTRATION NOT AUTHORIZED. (a) The Texas  
23 Department of Motor Vehicles [~~Transportation~~] may not register a  
24 golf cart for operation on a public highway regardless of whether  
25 any alteration has been made to the golf cart.

26 (b) The Texas Department of Motor Vehicles [~~department~~] may  
27 issue license plates for a golf cart [~~only~~] as authorized by

1 Subsection (c) [Section 504.510].

2 (c) The department shall by rule establish a procedure to  
3 issue the license plates to be used for operation in accordance with  
4 Sections 551.403 and 551.404.

5 (d) The department may charge a fee for the cost of the  
6 license plate.

7 SECTION 96. Section 551.404, Transportation Code, is  
8 amended by amending Subsection (a-1) and adding Subsection (a-2) to  
9 read as follows:

10 (a-1) In addition to the operation authorized by Section  
11 551.403, the commissioners court of a county described by  
12 Subsection (a-2) [~~that borders or contains a portion of the~~  
13 Guadalupe River and contains a part of a barrier island that borders  
14 the Gulf of Mexico] may allow an operator to operate a golf cart or  
15 utility vehicle on all or part of a public highway that:

16 (1) is located in the unincorporated area of the  
17 county; and

18 (2) has a speed limit of not more than 35 miles per  
19 hour.

20 (a-2) Subsection (a-1) applies only to a county that:

21 (1) borders or contains a portion of the Red River;

22 (2) borders or contains a portion of the Guadalupe  
23 River and contains a part of a barrier island that borders the Gulf  
24 of Mexico; or

25 (3) is adjacent to a county described by Subdivision  
26 (2) and:

27 (A) has a population of less than 30,000; and

1                   (B) contains a part of a barrier island that  
2 borders the Gulf of Mexico.

3           SECTION 97. Section 601.052(a), Transportation Code, is  
4 amended to read as follows:

5           (a) Section 601.051 does not apply to:

6                   (1) the operation of a motor vehicle that:

7                           (A) is a former military vehicle or is at least 25  
8 years old;

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

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

15                   (2) the operation of a neighborhood electric vehicle  
16 or a golf cart that is operated only as authorized by Section  
17 551.304 or 551.403; or

18                   (3) a volunteer fire department for the operation of a  
19 motor vehicle the title of which is held in the name of a volunteer  
20 fire department.

21           SECTION 98. Section 621.001(4), Transportation Code, is  
22 amended to read as follows:

23                   (4) "Director" means:

24                           (A) the executive director of the department; or

25                           (B) an employee of the department who is:

26                                   (i) a division or special office director  
27 or holds a rank higher than division or special office director; and

1                    (ii) designated by the executive director  
2 ~~[Texas Department of Motor Vehicles]~~.

3            SECTION 99. Section 621.002(a), Transportation Code, is  
4 amended to read as follows:

5            (a) A copy of the registration receipt issued under Section  
6 502.057 ~~[502.178]~~ for a commercial motor vehicle, truck-tractor,  
7 trailer, or semitrailer shall be:

8                    (1) carried on the vehicle when the vehicle is on a  
9 public highway; and

10                   (2) presented to an officer authorized to enforce this  
11 chapter on request of the officer.

12            SECTION 100. Section 621.301(b), Transportation Code, is  
13 amended to read as follows:

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

20            SECTION 101. Subchapter D, Chapter 621, Transportation  
21 Code, is amended by adding Section 621.304 to read as follows:

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

1 or municipality that exceeds the weight or size limits on the state  
2 highway system.

3 SECTION 102. Subchapter G, Chapter 621, Transportation  
4 Code, is amended by adding Section 621.510 to read as follows:

5 Sec. 621.510. PERMIT VOID. A permit issued under this  
6 chapter is void on the failure of the owner or the owner's  
7 representative to comply with a rule of the board or with a  
8 condition placed on the permit by the department.

9 SECTION 103. Section 622.074, Transportation Code, is  
10 amended to read as follows:

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

13 (1) farm equipment used for a purpose other than  
14 construction;

15 (2) special mobile equipment owned by a dealer or  
16 distributor;

17 (3) a vehicle used to propel special mobile equipment  
18 that is registered as a farm vehicle under ~~[as defined by]~~ Section  
19 502.433 ~~[502.163]~~; or

20 (4) equipment while being used by a commercial hauler  
21 to transport special mobile equipment under hire of a person who  
22 derives \$500 in gross receipts annually from a farming or ranching  
23 enterprise.

24 SECTION 104. Section 622.901, Transportation Code, is  
25 amended to read as follows:

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

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

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

6           (B) for not more than 50 miles on a highway that  
7 is part of the national system of interstate and defense highways;

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

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

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

18           (i) to deliver the tractor or implement to a  
19 new owner;

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

22           (iii) in the course of an agricultural  
23 operation;

24           (3) machinery that is used solely for drilling water  
25 wells, including machinery that is a unit or a unit mounted on a  
26 conventional vehicle or chassis, and that is traveling:

27           (A) during daylight on a public highway other

1 than a highway that is part of the national system of interstate and  
2 defense highways; or

3 (B) for not more than 50 miles on a highway that  
4 is part of the national system of interstate and defense highways;

5 (4) a vehicle owned or operated by a public, private,  
6 or volunteer fire department;

7 (5) a vehicle registered under Section 502.431  
8 [~~502.164~~]; or

9 (6) a recreational vehicle to which Section 622.903  
10 applies.

11 SECTION 105. Section 623.011(b), Transportation Code, is  
12 amended to read as follows:

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

14 (1) the vehicle must be registered under Chapter 502  
15 for the maximum gross weight applicable to the vehicle under  
16 Section 621.101, not to exceed 80,000 pounds;

17 (2) the security requirement of Section 623.012 must  
18 be satisfied; and

19 (3) a base permit fee of \$90, any additional fee  
20 required by Section 623.0111, and any additional fee set by the  
21 board [~~department~~] under Section 623.0112 must be paid.

22 SECTION 106. Sections 623.014(c) and (d), Transportation  
23 Code, are amended to read as follows:

24 (c) The department shall issue the prorated credit if the  
25 person:

26 (1) pays the fee adopted by the board [~~department~~];

27 and

1 (2) provides the department with:

2 (A) the original permit; or

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

6 (d) The fee adopted by the board [~~department~~] under  
7 Subsection (c)(1) may not exceed the cost of issuing the credit.

8 SECTION 107. The heading to Section 623.0711,  
9 Transportation Code, is amended to read as follows:

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

11 SECTION 108. Sections 623.0711(a), (b), (c), (d), (f), (g),  
12 and (h), Transportation Code, are amended to read as follows:

13 (a) The board [~~commission~~] by rule may authorize the  
14 department to issue a permit to a motor carrier, as defined by  
15 Section 643.001, to transport multiple loads of the same commodity  
16 over a state highway if all of the loads are traveling between the  
17 same general locations.

18 (b) The board [~~commission~~] may not authorize the issuance of  
19 a permit that would allow a vehicle to:

20 (1) violate federal regulations on size and weight  
21 requirements; or

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

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

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

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

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

5                   (B) the size and weight of the commodity;

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

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

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

12                   (F) the safety of the traveling public.

13           (d) The board [~~commission~~] rules may authorize the  
14 department to impose on the motor carrier any condition regarding  
15 routing, time of travel, axle weight, and escort vehicles necessary  
16 to ensure safe operation and minimal damage to the roadway.

17           (f) The board [~~commission~~] shall require the motor carrier  
18 to file a bond in an amount set by the board [~~commission~~], payable  
19 to the Texas Department of Transportation [~~department~~] and  
20 conditioned on the motor carrier paying to the Texas Department of  
21 Transportation [~~department~~] any damage that is sustained to a state  
22 highway because of the operation of a vehicle under a permit issued  
23 under this section.

24           (g) An application for a permit under this section must be  
25 accompanied by the permit fee established by the board [~~commission~~]  
26 for the permit, not to exceed \$9,000. The department shall send each  
27 fee to the comptroller for deposit to the credit of the state

1 highway fund.

2 (h) In addition to the fee established under Subsection (g),  
3 the board [~~commission~~] rules must authorize the department to  
4 collect a consolidated permit payment for a permit under this  
5 section in an amount not to exceed 15 percent of the fee established  
6 under Subsection (g), to be deposited to the credit of the state  
7 highway fund.

8 SECTION 109. Section 623.078(b), Transportation Code, is  
9 amended to read as follows:

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

13 SECTION 110. Section 623.144, Transportation Code, is  
14 amended to read as follows:

15 Sec. 623.144. REGISTRATION OF VEHICLE. (a) A person may  
16 not operate a vehicle permitted [~~A permit~~] under this subchapter on  
17 a public highway unless [~~may be issued only if~~] the vehicle is  
18 registered under Chapter 502 for the maximum gross weight  
19 applicable to the vehicle under Section 621.101 or has specialty  
20 [~~the distinguishing~~] license plates as provided by Section 502.146  
21 [~~504.504~~] if applicable to the vehicle.

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

25 SECTION 111. Section 623.149(a), Transportation Code, is  
26 amended to read as follows:

27 (a) The department may establish criteria to determine

1 whether oil well servicing, oil well clean out, or oil well drilling  
2 machinery or equipment is subject to registration under Chapter 502  
3 or eligible for the distinguishing license plate provided by  
4 Section 502.146 [~~504.504~~].

5 SECTION 112. Section 623.194, Transportation Code, is  
6 amended to read as follows:

7 Sec. 623.194. REGISTRATION OF VEHICLE. A permit under this  
8 subchapter may be issued only if the vehicle to be moved is  
9 registered under Chapter 502 for the maximum gross weight  
10 applicable to the vehicle under Section 621.101 or has the  
11 distinguishing license plates as provided by Section 502.146  
12 [~~504.504~~] if applicable to the vehicle.

13 SECTION 113. Section 623.199(a), Transportation Code, is  
14 amended to read as follows:

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

21 SECTION 114. Chapter 623, Transportation Code, is amended  
22 by adding Subchapter R to read as follows:

23 SUBCHAPTER R. PERMIT TO DELIVER RELIEF SUPPLIES DURING NATIONAL  
24 EMERGENCY

25 Sec. 623.341. PERMIT TO DELIVER RELIEF SUPPLIES. (a)  
26 Notwithstanding any other law, the department may issue a special  
27 permit during a major disaster as declared by the president of the

1 United States under the Robert T. Stafford Disaster Relief and  
2 Emergency Assistance Act (42 U.S.C. Section 5121 et seq.) to an  
3 overweight or oversize vehicle or load that:

- 4           (1) can easily be dismantled or divided; and  
5           (2) will be used only to deliver relief supplies.

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

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

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

16           SECTION 115. Section 642.002(a), Transportation Code, is  
17 amended to read as follows:

18           (a) A person commits an offense if:  
19               (1) the person operates on a public street, road, or  
20 highway:

21                       (A) a commercial motor vehicle that has three or  
22 more axles;

23                       (B) a truck-tractor;

24                       (C) a road-tractor; or

25                       (D) a tow truck; and

26               (2) the vehicle does not have on each side of the power  
27 unit identifying markings that comply with the identifying marking

1 requirements specified by 49 C.F.R. Section 390.21 or that:

2 (A) show the name of the owner or operator of the  
3 vehicle;

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

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

9 SECTION 116. The heading to Section 643.054, Transportation  
10 Code, is amended to read as follows:

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

13 SECTION 117. Section 643.054, Transportation Code, is  
14 amended by amending Subsection (a) and adding Subsections (a-1),  
15 (a-2), and (a-3) to read as follows:

16 (a) The department shall register a motor carrier under this  
17 subchapter if the carrier complies with Sections 643.052 and  
18 643.053.

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

21 (a-2) The department may deny a registration if the  
22 applicant's business is operated, managed, or otherwise controlled  
23 by or affiliated with a person, including the applicant, a  
24 relative, family member, corporate officer, or shareholder, whom  
25 the Department of Public Safety has determined has:

26 (1) an unsatisfactory safety rating under 49 C.F.R.  
27 Part 385; or

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

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

9           (1) an unsatisfactory safety rating under 49 C.F.R.  
10 Part 385; or

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

13           SECTION 118. Section 643.064, Transportation Code, is  
14 amended to read as follows:

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

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

26           SECTION 119. Subchapter F, Chapter 643, Transportation  
27 Code, is amended by adding Section 643.2526 to read as follows:

1       Sec. 643.2526. APPEAL OF DENIAL OF REGISTRATION, RENEWAL,  
2 OR REINSTATEMENT. (a) Notwithstanding any other law, a denial of an  
3 application for registration, renewal of registration, or  
4 reinstatement of registration under this chapter is not required to  
5 be preceded by notice and an opportunity for hearing.

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

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

14       SECTION 120. Section 648.051(b), Transportation Code, is  
15 amended to read as follows:

16       (b) This subchapter supersedes that portion of any paired  
17 city, paired state, or similar understanding governing foreign  
18 commercial motor vehicles or motor carriers entered into under  
19 Section 502.091 [~~502.054~~] or any other law.

20       SECTION 121. Section 648.102(a), Transportation Code, is  
21 amended to read as follows:

22       (a) The Texas Department of Motor Vehicles [~~Transportation~~]  
23 shall adopt rules that conform with 49 C.F.R. Part 387 requiring  
24 motor carriers operating foreign commercial motor vehicles in this  
25 state to maintain financial responsibility.

26       SECTION 122. Section 681.003(b), Transportation Code, is  
27 amended to read as follows:

1 (b) An application for a disabled parking placard must be:  
2 (1) on a form furnished by the department;  
3 (2) submitted to the county assessor-collector of the  
4 county:

5 (A) in which the person with the disability  
6 resides if the person has a permanent disability;

7 (B) in which the person with the disability  
8 resides or is being treated at a medical facility if the person has  
9 a temporary disability; or

10 (C) in which the person with the disability is  
11 seeking medical treatment if the person is not a resident of this  
12 state; and

13 (3) accompanied by a fee of \$5 if the application is  
14 for a temporary placard.

15 SECTION 123. Section 681.0031, Transportation Code, is  
16 amended to read as follows:

17 Sec. 681.0031. APPLICANT'S [~~DRIVER'S LICENSE OR PERSONAL~~]  
18 IDENTIFICATION [~~CARD NUMBER~~]. (a) The applicant shall include on  
19 the application the applicant's:

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

22 (2) military identification number; or

23 (3) driver's license number of a driver's license  
24 issued by another state or country if the applicant is not a  
25 resident of this state and is seeking medical treatment in this  
26 state. [~~The department shall provide for this information in~~  
27 ~~prescribing the application form.~~]

1 (b) The county assessor-collector shall record on any  
2 disabled parking placard issued to the applicant the following  
3 information in the following order:

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

6 (2) the first four digits of the applicant's driver's  
7 license number, personal identification card number, or military  
8 identification number; and

9 (3) the applicant's initials.

10 SECTION 124. Section 681.004(c), Transportation Code, is  
11 amended to read as follows:

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

14 (1) is valid for:

15 (A) [a period of] four years for a resident of  
16 this state; and

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

19 (2) shall be replaced or renewed on request of the  
20 person to whom the initial card was issued without presentation of  
21 evidence of eligibility.

22 SECTION 125. Section 681.012, Transportation Code, is  
23 amended to read as follows:

24 Sec. 681.012. SEIZURE AND REVOCATION OF PLACARD. (a) A law  
25 enforcement officer who believes that an offense under Section  
26 681.011(a) or (d) has occurred in the officer's presence shall  
27 seize any disabled parking placard involved in the offense. Not

1 later than 48 hours after the seizure, the officer shall determine  
2 whether probable cause existed to believe that the offense was  
3 committed. If the officer does not find that probable cause  
4 existed, the officer shall promptly return each placard to the  
5 person from whom it was seized. If the officer finds that probable  
6 cause existed, the officer, not later than the fifth day after the  
7 date of the seizure, shall destroy the [~~submit each seized~~] placard  
8 and notify [~~to~~] the department.

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

- 17 (1) the person operating the vehicle;  
18 (2) the applicant on behalf of a person being  
19 transported by the vehicle; or  
20 (3) a person being transported by the vehicle.

21 (a-2) A peace officer shall destroy a seized [~~submit each~~  
22 ~~seized parking~~] placard and notify [~~to~~] the department [~~not later~~  
23 ~~than the fifth day after the seizure~~].

24 (b) On seizure of a placard [~~submission to the department~~]  
25 under Subsection (a) or (a-1) [~~(a-2)~~], a placard is revoked. On  
26 request of the person from whom the placard was seized, the  
27 department shall conduct a hearing and determine whether the

1 revocation should continue or the placard should be returned to the  
2 person and the revocation rescinded.

3 SECTION 126. Section 728.002(d), Transportation Code, is  
4 amended to read as follows:

5 (d) This section does not prohibit the quoting of a price  
6 for a motor home or [7] tow truck [~~7~~, ~~or towable recreational vehicle~~]  
7 at a show or exhibition described by Section 2301.358, Occupations  
8 Code.

9 SECTION 127. Section 730.007(c), Transportation Code, is  
10 amended to read as follows:

11 (c) This section does not:

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

14 (A) a law enforcement agency, the Texas  
15 Department of Motor Vehicles, a county tax assessor-collector, or a  
16 criminal justice agency for an official purpose;

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

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

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

26 SECTION 128. Section 1001.009(c), Transportation Code, is  
27 amended to read as follows:

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

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

6 (2) require the payment of a discount or service  
7 charge for a credit card payment in addition to the fee; and

8 (3) require an overpayment of a motor vehicle or  
9 salvage dealer license fee of:

10 (A) less than \$10 to be credited toward a future  
11 fee requirement; and

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

13 SECTION 129. Subchapter A, Chapter 1001, Transportation  
14 Code, is amended by adding Section 1001.012 to read as follows:

15 Sec. 1001.012. IMMUNITY FROM LIABILITY. (a)

16 Notwithstanding any other law, the executive director, a board  
17 member, or an employee is not personally liable for damages  
18 resulting from an official act or omission unless the act or  
19 omission constitutes intentional or malicious malfeasance.

20 (b) To the extent a person described by Subsection (a) is  
21 personally liable for damages for which the state provides  
22 indemnity under Chapter 104, Civil Practice and Remedies Code, this  
23 section does not affect the state's liability for the indemnity.

24 SECTION 130. Subchapter A, Chapter 1001, Transportation  
25 Code, is amended by adding Section 1001.013 to read as follows:

26 Sec. 1001.013. PERFORMANCE OF CERTAIN DEPARTMENT FUNCTIONS  
27 BY AUTHORIZED BUSINESS. (a) The executive director of the

1 department may authorize a business entity to perform a department  
2 function in accordance with rules adopted under Subsection (b).

3 (b) The board by rule shall prescribe:

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

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

8 (3) the type and amount of any bonds that may be  
9 required for a business to perform certain functions; and

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

12 SECTION 131. Section 1001.023(b), Transportation Code, is  
13 amended to read as follows:

14 (b) The chair shall:

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

17 (2) represent the department in dealing with the  
18 governor;

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

21 (4) report to the board the governor's suggestions for  
22 department operations;

23 (5) report to the governor on efforts, including  
24 legislative requirements, to maximize the efficiency of department  
25 operations through the use of private enterprise;

26 (6) periodically review the department's  
27 organizational structure and submit recommendations for structural

1 changes to the governor, the board, and the Legislative Budget  
2 Board;

3 (7) designate at least one employee [~~one or more~~  
4 ~~employees~~] of the department as a civil rights officer [~~division~~]  
5 of the department and receive regular reports from the officer or  
6 officers [~~division~~] on the department's efforts to comply with  
7 civil rights legislation and administrative rules;

8 (8) create subcommittees, appoint board members to  
9 subcommittees, and receive the reports of subcommittees to the  
10 board as a whole;

11 (9) appoint a member of the board to act in the absence  
12 of the chair and vice chair; and

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

16 SECTION 132. Section 1001.042, Transportation Code, is  
17 amended to read as follows:

18 Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board  
19 shall develop and implement policies that clearly define the  
20 respective responsibilities of the executive director and the staff  
21 of the department.

22 SECTION 133. Section 1001.101(2), Transportation Code, is  
23 amended to read as follows:

24 (2) "License" includes:

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

27 (B) a motor vehicle dealer, salvage dealer,

1 manufacturer, distributor, representative, converter, or agent  
2 license issued by the department;

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

5 (D) an apportioned registration issued according  
6 to the International Registration Plan under Section 502.091  
7 [~~502.054~~].

8 SECTION 134. (a) The comptroller of public accounts shall  
9 conduct a study of the fiscal effect to both this state and the  
10 motorcycle industry in this state of the avoidance of the use tax  
11 due on certain off-road vehicles purchased in other states.

12 (b) The study must include:

13 (1) an evaluation of the provisions of current Texas  
14 law and the practices by out-of-state motorcycle dealers that allow  
15 for the incidence of tax avoidance;

16 (2) an estimate of the total amount of revenue owed to  
17 but not collected by this state and the total number of jobs lost in  
18 this state due to the incidence of tax avoidance and competitive  
19 practices by out-of-state motorcycle dealers;

20 (3) an evaluation of the manner in which the laws and  
21 enforcement practices of other states avoid an incidence of this  
22 type of tax avoidance in those states;

23 (4) the identification of any potential actions within  
24 the comptroller's current authority that could significantly  
25 reduce the rate of tax avoidance and protect the motorcycle  
26 industry in this state from improper competition from out-of-state  
27 motorcycle dealers; and

1           (5) an evaluation of potential changes to current law  
2 that could reduce the rate of tax avoidance and protect the  
3 motorcycle industry in this state from improper competition from  
4 out-of-state motorcycle dealers, including making certain off-road  
5 vehicles subject to the motor vehicle tax under Chapter 152, Tax  
6 Code, rather than the sales and use tax under Chapter 151, Tax Code.

7           (c) Not later than December 1, 2013, the comptroller of  
8 public accounts shall submit a report of the results of the study  
9 and any recommendations to the house ways and means committee and  
10 the senate finance committee.

11           (d) To the extent reasonable and practicable, the  
12 comptroller of public accounts shall take actions identified under  
13 Subsection (b)(4) of this section to reduce the rate of tax  
14 avoidance described by Subsection (a) of this section.

15           (e) Notwithstanding any other provision of this Act, this  
16 section takes effect immediately if this Act receives a vote of  
17 two-thirds of all the members elected to each house, as provided by  
18 Section 39, Article III, Texas Constitution. If this Act does not  
19 receive the vote necessary for this section to have immediate  
20 effect, this section takes effect September 1, 2013.

21           SECTION 135. The following laws are repealed:

22           (1) Sections 2301.101, 2301.157, 2301.259(b), and  
23 2301.606(a), Occupations Code;

24           (2) Sections 502.252(b), 503.009(b), 503.029(b),  
25 503.030(b), 503.066(b), 504.510, 520.008, 520.009, 520.0091,  
26 520.0092, 623.0711(k), and 623.093(f), Transportation Code; and

27           (3) Section 520.004, Transportation Code, as added by

1 Chapter 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular  
2 Session, 2011.

3 SECTION 136. The changes in law made by this Act apply only  
4 to an offense committed on or after the effective date of this Act.  
5 An offense committed before the effective date of this Act is  
6 governed by the law in effect on the date the offense was committed,  
7 and the former law is continued in effect for that purpose. For  
8 purposes of this section, an offense was committed before the  
9 effective date of this Act if any element of the offense occurred  
10 before that date.

11 SECTION 137. A deputy appointed under Section 520.0091,  
12 Transportation Code, on or before August 31, 2013, may continue to  
13 perform the services authorized under Sections 520.008, 520.009,  
14 520.0091, and 520.0092, Transportation Code, until the Texas  
15 Department of Motor Vehicles Board adopts rules regarding the types  
16 of deputies authorized to perform titling and registration duties  
17 under Section 520.0071, Transportation Code, as added by this Act.

18 SECTION 138. Not later than December 31, 2013, the Texas  
19 Department of Motor Vehicles shall establish a procedure for the  
20 issuance of license plates for golf carts to be used for operation  
21 on a public highway, as required by Section 551.402, Transportation  
22 Code, as amended by this Act.

23 SECTION 139. To the extent of any conflict, this Act  
24 prevails over another Act of the 83rd Legislature, Regular Session,  
25 2013, relating to nonsubstantive additions to and corrections in  
26 enacted codes.

27 SECTION 140. (a) Except as provided by Subsection (b) of

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

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

# ADOPTED

MAY 17 2013

*Atty. Gen.*  
Secretary of the Senate

By: Phillips/Nichols

H.B. No. 2741

Substitute the following for H.B. No. 2741:

By: [Signature]

C.S. H.B. No. 2741

## A BILL TO BE ENTITLED

### AN ACT

1  
2 relating to the regulation of motor vehicles by counties and the  
3 Texas Department of Motor Vehicles; authorizing a fee; creating an  
4 offense.

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

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

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

11 (1) fees for registration, certificate of title, and  
12 license and any additional registration fees charged by a [~~full~~  
13 ~~service~~] deputy as authorized by rules adopted under Section  
14 520.0071 [~~502.114~~], Transportation Code;

15 (2) any taxes;

16 (3) fees or charges prescribed by law and connected  
17 with the sale or inspection of the motor vehicle; and

18 (4) charges authorized for insurance, service  
19 contracts, warranties, or a debt cancellation agreement by  
20 Subchapter C.

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

23 Sec. 353.006. ITEMIZED CHARGE. An amount in a retail  
24 installment contract is an itemized charge if the amount is not

1 included in the cash price and is the amount of:

2 (1) fees for registration, certificate of title, and  
3 license and any additional registration fees charged by a [~~full~~  
4 ~~service~~] deputy as authorized by rules adopted under Section  
5 520.0071 [502.114], Transportation Code;

6 (2) any taxes;

7 (3) fees or charges prescribed by law and connected  
8 with the sale or inspection of the commercial vehicle;

9 (4) charges authorized for insurance, service  
10 contracts, and warranties by Subchapter C; and

11 (5) advances or payments authorized under Section  
12 353.402(b) or (c) made by the retail seller to or for the benefit of  
13 the retail buyer.

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

16 (f) The governor may suspend any of the following  
17 requirements in response to an emergency or disaster declaration of  
18 another jurisdiction if strict compliance with the requirement  
19 would prevent, hinder, or delay necessary action in assisting  
20 another state with coping with an emergency or disaster:

21 (1) a registration requirement in an agreement entered  
22 into under the International Registration Plan under Section  
23 502.091, Transportation Code, to the extent authorized by federal  
24 law;

25 (2) a temporary registration permit requirement under  
26 Section 502.094, Transportation Code;

27 (3) a provision of Subtitle E, Title 7, Transportation

1 Code, to the extent authorized by federal law;

2 (4) a motor carrier registration requirement under  
3 Chapter 643, Transportation Code;

4 (5) a registration requirement under Chapter 645,  
5 Transportation Code, to the extent authorized by federal law; or

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

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

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

17 (2) the governor of another state.

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

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

24 (f) If the owner of a manufactured home relocates the home,  
25 the owner shall apply for the issuance of a new statement of  
26 ownership and location not later than the 60th day after the date  
27 the home is relocated. The department shall require that the owner

1 submit evidence that the home was relocated in accordance with the  
2 requirements of the Texas Department of Motor Vehicles  
3 [~~Transportation~~].

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

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

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

11 SUBCHAPTER C. [~~DIRECTOR AND OTHER~~] DIVISION PERSONNEL

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

15 (b) The board by rule may delegate any power relating to a  
16 contested case hearing brought under this chapter or Chapter 503,  
17 Transportation Code, other than the power to issue a final order,  
18 to:

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

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

- 26 (1) one or more of the board's members;
- 27 (2) the executive director; or

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

4           (e) An action taken by a person to whom a power or other  
5 authority is delegated under Subsection (b) or (c), including the  
6 issuance of an order, is considered an action of the board and may  
7 not be appealed to the board.

8           SECTION 8. Section 2301.257(a), Occupations Code, is  
9 amended to read as follows:

10          (a) An application for a dealer's license must be on a form  
11 prescribed by the department. The application must include:

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

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

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

22          (a) An application for a distributor's license must  
23 disclose:

24               (1) the manufacturer for whom the distributor will  
25 act;

26               (2) whether the manufacturer is licensed in this  
27 state;

1           (3) [~~the warranty covering the motor vehicles to be~~  
2 ~~sold,~~

3           [~~(4)~~] the persons in this state who will be  
4 responsible for compliance with the warranty covering the motor  
5 vehicles to be sold;

6           (4) [~~(5)~~] the terms of the contract under which the  
7 distributor will act for the manufacturer; and

8           (5) [~~(6)~~] the franchised dealers with whom the  
9 distributor will do business.

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

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

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

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

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

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

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

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

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

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

17 (2) the dealer in connection with the manufacturer's  
18 warranty agreements [~~on file with the board~~].

19 SECTION 14. Section 2301.358(a), Occupations Code, is  
20 amended to read as follows:

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

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

27 (2) the department grants written approval.

1 SECTION 15. Section 2301.401, Occupations Code, is amended  
2 to read as follows:

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

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

10 (2) vehicle preparation and delivery obligations.

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

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

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

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

27 (a) Notwithstanding the terms of any franchise or any other

1 law, a franchised dealer's preparation, delivery, and warranty  
2 obligations [~~as filed with the board~~] are the dealer's sole  
3 responsibility for product liability as between the dealer and a  
4 manufacturer or distributor.

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

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

9 [~~(1)~~] terminates or discontinues a franchise by [~~any~~  
10 ~~means without complying with Section 2301.453, or~~

11 [~~(2) regardless of whether the manufacturer,~~  
12 ~~distributor, or representative complies with Section 2301.453,~~  
13 ~~terminates or discontinues a franchise by]~~

14 (1) [~~(A)~~] discontinuing a line-make;

15 (2) [~~(B)~~] ceasing to do business in this state; or

16 (3) [~~(C)~~] changing the distributor or method of  
17 distribution of its products in this state.

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

20 (b) In a hearing [~~before the director~~] under this  
21 subchapter, a manufacturer, converter, or distributor may plead and  
22 prove as an affirmative defense to a remedy under this subchapter  
23 that a nonconformity:

24 (1) is the result of abuse, neglect, or unauthorized  
25 modification or alteration of the motor vehicle; or

26 (2) does not substantially impair the use or market  
27 value of the motor vehicle.

1           (c) The board or a person delegated power from the board  
2 under Section 2301.154 [~~director~~] may not issue an order requiring  
3 a manufacturer, converter, or distributor to make a refund or to  
4 replace a motor vehicle unless:

5           (1) the owner or a person on behalf of the owner has  
6 mailed written notice of the alleged defect or nonconformity to the  
7 manufacturer, converter, or distributor; and

8           (2) the manufacturer, converter, or distributor has  
9 been given an opportunity to cure the alleged defect or  
10 nonconformity.

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

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

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

26           Sec. 2301.608. ASSESSMENT OF COSTS FOR REPLACEMENT OR  
27 REFUND. (a) In an order issued under this subchapter, the board or

1 a person delegated power from the board under Section 2301.154  
2 ~~[director]~~ shall name the person responsible for paying the cost of  
3 any refund or replacement. A manufacturer, converter, or  
4 distributor may not cause a franchised dealer to directly or  
5 indirectly pay any money not specifically ordered by the board or a  
6 person delegated power from the board under Section 2301.154  
7 ~~[director]~~.

8 (b) If the board or a person delegated power from the board  
9 under Section 2301.154 ~~[director]~~ orders a manufacturer,  
10 converter, or distributor to make a refund or replace a motor  
11 vehicle under this subchapter, the board or person ~~[director]~~ may  
12 order the franchised dealer to reimburse the owner, lienholder,  
13 manufacturer, converter, or distributor only for an item or option  
14 added to the vehicle by the dealer to the extent that the item or  
15 option contributed to the defect that served as the basis for the  
16 order.

17 (c) In a case involving a leased vehicle, the board or a  
18 person delegated power from the board under Section 2301.154  
19 ~~[director]~~ may terminate the lease and apportion allowances or  
20 refunds, including the reasonable allowance for use, between the  
21 lessee and lessor of the vehicle.

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

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

1 Travis County.

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

4 (a) A manufacturer, distributor, or converter that has been  
5 ordered to repurchase or replace a vehicle shall, through its  
6 franchised dealer, issue a disclosure statement stating that the  
7 vehicle was repurchased or replaced by the manufacturer,  
8 distributor, or converter under this subchapter. The statement  
9 must accompany the vehicle through the first retail purchase  
10 following the issuance of the statement and must include the  
11 ~~[board's]~~ toll-free telephone number described by Subsection (d)  
12 that will enable the purchaser to obtain information about the  
13 condition or defect that was the basis of the order for repurchase  
14 or replacement.

15 (d) The department ~~[board]~~ shall maintain a toll-free  
16 telephone number to provide information to a person who requests  
17 information about a condition or defect that was the basis for  
18 repurchase or replacement by an order issued under this chapter ~~[of~~  
19 ~~the director]~~. The department ~~[board]~~ shall maintain an effective  
20 method of providing information to a person who makes a request.

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

23 (d) A license may not be denied, revoked, or suspended, and  
24 disciplinary action may not be taken under this subchapter, unless  
25 the respondent is given an opportunity for a hearing. The board may  
26 deny, revoke, or suspend a license or take disciplinary action by  
27 ~~[except on]~~ order only ~~[of the board]~~ after the department grants

1 the respondent an opportunity for a hearing.

2 SECTION 25. Section 2301.703(a), Occupations Code, is  
3 amended to read as follows:

4 (a) A hearing [~~shall be conducted in any contested case~~]  
5 arising under this chapter or a board rule adopted under this  
6 chapter [~~— The hearing~~] must be conducted in accordance with this  
7 chapter, any order, decision, or rule of the board, and Chapter  
8 2001, Government Code.

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

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

17 [(b)] In reviewing a [~~the~~] case under this subchapter, the  
18 board or a person delegated power from the board under Section  
19 2301.154 may consider only materials that are submitted timely.

20 (b) [(c)] The board or a person delegated power from the  
21 board under Section 2301.154 may hear such oral argument from any  
22 party as the board may allow.

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

1 SECTION 27. Section 2301.710, Occupations Code, is amended  
2 to read as follows:

3 Sec. 2301.710. DISMISSAL OF COMPLAINT. On the motion of any  
4 party, the board or other person delegated final order authority  
5 under Section 2301.154, without holding a contested case hearing,  
6 may issue a final order dismissing a complaint, protest, or  
7 response in accordance with the terms and procedures set forth in  
8 the [Rule 166a,] Texas Rules of Civil Procedure[~~, or its~~  
9 ~~successor]~~.

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

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

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

18 (1) include a separate finding of fact with respect to  
19 each specific issue [~~the board is~~] required by law to be considered  
20 [~~consider~~] in reaching a decision;

21 (2) set forth additional findings of fact and  
22 conclusions of law on which the order or decision is based;

23 (3) give the reasons for the particular actions taken;  
24 and

25 (4) be signed by the presiding officer or assistant  
26 presiding officer for the board or other person delegated final  
27 order authority under Section 2301.154[+]

1            [~~(5) be attested to by the director, and~~

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

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

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

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

11            Sec. 2301.713. REHEARING. (a) Except as provided by  
12 Subsection (b), a [A] party who seeks a rehearing of an order shall  
13 seek the rehearing in accordance with Chapter 2001, Government  
14 Code.

15            (b) The board by rule may establish a procedure to allow  
16 parties to contested cases in which the final order is issued by a  
17 person to whom final order authority is delegated under Section  
18 2301.154 to file motions for rehearing with the board.

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

21            (a) A party to a proceeding affected by a final order, rule,  
22 or decision or other final action of the board [~~or director under~~  
23 ~~this chapter or under another law~~] with respect to a matter arising  
24 under this chapter or Chapter 503, Transportation Code, may seek  
25 judicial review of the action under the substantial evidence rule  
26 in:

27            (1) a district court in Travis County; or

1           (2) the court of appeals for the Third Court of Appeals  
2 District.

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

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

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

11          (d) An interlocutory cease and desist order remains in  
12 effect until vacated or incorporated in a final order [~~of the~~  
13 ~~board~~]. An appeal of an interlocutory cease and desist order must  
14 be made to the board before seeking judicial review as provided by  
15 this chapter.

16          (e) A permanent cease and desist order may be issued  
17 regardless of the requirements of Subsection (b) but only under the  
18 procedures for a final order [~~by the board~~] under this chapter. An  
19 appeal of a permanent cease and desist order is made in the same  
20 manner as an appeal of a final order under this chapter.

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

23          (a) On the initiation of a [~~board~~] proceeding under this  
24 chapter or Chapter 503, Transportation Code, whether by complaint,  
25 protest, or otherwise, a person who receives notice from the board  
26 of a statutory stay imposed by this chapter may not allow or commit  
27 any act or omission that would:

1           (1) violate this chapter, Chapter 503, Transportation  
2 Code, [~~or~~] any rule, order, or decision of the board, or an order or  
3 decision of a person delegated power from the board under Section  
4 2301.154;

5           (2) affect a legal right, duty, or privilege of any  
6 party to a proceeding under this chapter or Chapter 503,  
7 Transportation Code [~~before the board~~]; or

8           (3) tend to render ineffectual an [~~a board~~] order in a  
9 pending proceeding.

10           SECTION 35. Sections 2301.804(a) and (b), Occupations Code,  
11 are amended to read as follows:

12           (a) If it appears that a person has violated, is violating,  
13 or is threatening to violate this chapter, Chapter 503,  
14 Transportation Code, [~~or~~] a board rule adopted under this chapter  
15 or Chapter 503, Transportation Code, or an order issued under this  
16 chapter or Chapter 503, Transportation Code, the board or the  
17 executive director, if authorized by the presiding officer of the  
18 board, may cause a suit to be instituted in a court for:

19           (1) injunctive relief to restrain the person from  
20 committing the violation or threat of violation;

21           (2) imposition of a civil penalty; or

22           (3) both injunctive relief and a civil penalty.

23           (b) At the request of the board or the executive director,  
24 if authorized by the presiding officer of the board, the attorney  
25 general shall bring in the name of the state a suit for an  
26 injunction or a civil penalty as described by Subsection (a).

27           SECTION 36. Section 2302.103(a), Occupations Code, is

1 amended to read as follows:

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

6 SECTION 37. Section 2305.001, Occupations Code, is amended  
7 by adding Subdivisions (5) and (6) to read as follows:

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

10 (6) "Department" means the Texas Department of Motor  
11 Vehicles.

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

14 (a) Except as provided by Subsection (b), for the purpose of  
15 enforcing or administering this chapter, Chapter 2302 of this code,  
16 or Chapter 501 or 502, Transportation Code, a member of the board  
17 [~~Texas Transportation Commission~~], an employee of the department  
18 [~~Texas Transportation Commission or Texas Department of~~  
19 ~~Transportation~~], a member of the Public Safety Commission, an  
20 officer of the Department of Public Safety, or another peace  
21 officer who is interested in tracing or locating a stolen motor  
22 vehicle may at a reasonable time:

23 (1) enter the premises of a business regulated under  
24 one of those chapters; and

25 (2) inspect or copy any document, record, vehicle,  
26 part, or other item regulated under one of those chapters.

27 SECTION 39. The heading to Subchapter L, Chapter 201,

1 Transportation Code, is amended to read as follows:

2 SUBCHAPTER L. ELECTRONIC ISSUANCE OF OUTDOOR ADVERTISING LICENSES

3 SECTION 40. Section 201.931(2), Transportation Code, is  
4 amended to read as follows:

5 (2) "License" means ~~[includes:~~

6  ~~[(A) a permit issued by the department that  
7 authorizes the operation of a vehicle and its load or a combination  
8 of vehicles and load exceeding size or weight limitations; and~~

9  ~~[(B) a license or permit for outdoor advertising  
10 issued under Chapter 391 or 394.~~

11 SECTION 41. Section 501.021(a), Transportation Code, is  
12 amended to read as follows:

13 (a) A motor vehicle title issued by the department must  
14 include:

15 (1) the legal name and address of each purchaser and  
16 seller at the first sale or a subsequent sale;

17 (2) the make of the motor vehicle;

18 (3) the body type of the vehicle;

19 (4) the manufacturer's permanent vehicle  
20 identification number of the vehicle or the vehicle's motor number  
21 if the vehicle was manufactured before the date that stamping a  
22 permanent identification number on a motor vehicle was universally  
23 adopted;

24 (5) the serial number for the vehicle;

25 (6) the name and address of each lienholder and the  
26 date of each lien on the vehicle, listed in the chronological order  
27 in which the lien was recorded;

1           (7) a statement indicating rights of survivorship  
2 under Section 501.031;

3           (8) if the vehicle has an odometer, the odometer  
4 reading at the time of application for the title; and

5           (9) any other information required by the department.

6           SECTION 42. Sections 501.022(a) and (b), Transportation  
7 Code, are amended to read as follows:

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

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

11                 (2) may not operate or permit the operation of the  
12 vehicle on a public highway until the owner [~~obtains~~]:

13                         (A) applies for title and registration for the  
14 vehicle; or

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

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

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

23           (a) The owner of a motor vehicle must present identification  
24 and apply for a title as prescribed by the department, unless  
25 otherwise exempted by law. To obtain a title, the owner must  
26 apply:

27                 (1) to the county assessor-collector in the county in

1 which:

2 (A) the owner is domiciled; or

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

4 [~~or~~]

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

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

12 (B) is inoperable for a protracted period of  
13 time; or

14 (3) if the county assessor-collector's office of the  
15 county in which the owner resides is closed for a protracted period  
16 of time as defined by the department, to the county  
17 assessor-collector of a county that borders the county in which the  
18 owner resides who agrees to accept the application.

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

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

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

24 (2) for which the title has been surrendered in  
25 exchange for:

26 (A) a salvage vehicle title or salvage record of  
27 title issued under this chapter;

1 (B) a nonrepairable vehicle title or  
2 nonrepairable vehicle record of title issued under this chapter or  
3 Subchapter D, Chapter 683; or

4 (C) an ownership document issued by another state  
5 that is comparable to a document described by Paragraph (A) or (B);

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

7 (4) purchased by a commercial fleet buyer who:

8 (A) is a [full-service] deputy authorized by  
9 rules adopted under Section 520.0071;

10 (B) [520.008 and who] utilizes the dealer title  
11 application process developed to provide a method to submit title  
12 transactions to the county in which the commercial fleet buyer is a  
13 [full-service] deputy; and

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

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

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

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

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

27 (1) provides that if the agreement is between two or

1 more eligible persons, the motor vehicle will be owned [~~is held~~  
2 ~~jointly~~] by the surviving owners when one or more of the owners die  
3 [~~those persons with the interest of a person who dies to transfer to~~  
4 ~~the surviving person or persons~~]; and

5 (2) provides for the acknowledgment by signature,  
6 either electronically or by hand, of the persons.

7 (c) Ownership of the vehicle may be transferred only:

8 (1) by all the persons acting jointly, if all the  
9 persons are alive; or [~~and~~]

10 (2) on the death of one of the persons, by the  
11 surviving person or persons by transferring ownership of the  
12 vehicle, in the manner otherwise required by law, with a copy of the  
13 death certificate of the deceased person.

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

17 (a) On proper application, the department shall assign a  
18 vehicle identification number to a travel trailer, a trailer or  
19 semitrailer [~~that has a gross vehicle weight that exceeds 4,000~~  
20 ~~pounds~~], a frame, or an item of equipment, including a tractor, farm  
21 implement, unit of special mobile equipment, or unit of off-road  
22 construction equipment [~~on which~~]:

23 (1) on which a vehicle identification number was not  
24 die-stamped by the manufacturer; [~~or~~]

25 (2) on which a vehicle identification number  
26 die-stamped by the manufacturer has been lost, removed, or  
27 obliterated; or

1           (3) for which a vehicle identification number was  
2 never assigned.

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

6           (d) Only the department may issue vehicle identification  
7 numbers.

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

10           (a) A person determined by law enforcement or a court to be  
11 the owner of a motor vehicle, travel trailer, semitrailer, or  
12 trailer, a part of a motor vehicle, travel trailer, semitrailer, or  
13 trailer, a frame, or an item of equipment including a tractor, farm  
14 implement, unit of special mobile equipment, or unit of off-road  
15 construction equipment may apply to the department for an assigned  
16 vehicle identification number that has been removed, altered, [~~or~~]  
17 obliterated, or has never been assigned.

18           SECTION 49. Subchapter B, Chapter 501, Transportation Code,  
19 is amended by adding Section 501.037 to read as follows:

20           Sec. 501.037. TITLE FOR TRAILERS. (a) Notwithstanding any  
21 other provision of this chapter, the department may issue a title  
22 for a trailer that has a gross vehicle weight of 4,000 pounds or  
23 less if all other requirements for issuance of a title are met.

24           (b) To obtain a title under this section, the owner of the  
25 trailer must:

26           (1) apply for the title in the manner required by  
27 Section 501.023; and



1 assessor-collector's determination. The [~~county court~~] judge  
2 shall try the appeal in the manner of other civil cases. All rights  
3 and immunities granted in the trial of a civil case are available to  
4 the interested parties. If the department's action is not  
5 sustained, the department shall promptly issue a title for the  
6 vehicle.

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

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

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

15 (1) a nonrepairable vehicle titled after September 1,  
16 2003; or

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

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

21 (a) As an alternative to the procedure provided by Section  
22 501.052, the person may obtain a title by filing [~~file~~] a bond with  
23 the department if the vehicle is in the possession of the applicant  
24 and:

25 (1) there is no security interest on the vehicle;

26 (2) any lien on the vehicle is at least 10 years old;

27 or

1           (3) the person provides a release of all liens with  
2 bond. [~~On the filing of the bond the person may obtain a title.~~]

3           SECTION 55. Section 501.076(c), Transportation Code, is  
4 amended to read as follows:

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

7           (1) the person may be a person who has been deputized  
8 [~~appointed by the commissioners court as a deputy~~] to perform  
9 vehicle registration functions as authorized by rules adopted under  
10 Section 520.0071 [~~520.0091~~], a licensed vehicle auction company  
11 holding a wholesale general distinguishing number under Section  
12 503.022, a person who has a permit similar to one of the foregoing  
13 that is issued by the state in which the owner is located, or  
14 another person authorized by law to execute title documents in the  
15 state in which the owner executes the documents; and

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

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

25           (b) A person [~~An owner~~], other than a salvage vehicle  
26 dealer, a used automotive parts recycler, or an insurance company  
27 licensed to do business in this state, who acquired ownership of a

1 nonrepairable or salvage motor vehicle that has not been issued a  
2 nonrepairable vehicle title, nonrepairable record of title,  
3 salvage vehicle title, salvage record of title, or a comparable  
4 ownership document issued by another state or jurisdiction shall,  
5 before selling the motor vehicle, surrender the properly assigned  
6 title for the motor vehicle to the department and apply to the  
7 department for the appropriate ownership document.

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

10 (a) The owner of a motor [A] vehicle for which a  
11 nonrepairable vehicle [~~certificate of~~] title issued prior to  
12 September 1, 2003, or for which a salvage vehicle title or salvage  
13 record of title has been issued may apply for [~~obtain~~] a title after  
14 the motor vehicle has been repaired, rebuilt, or reconstructed and,  
15 in addition to any other requirement of law, only if the  
16 application:

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

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

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

23 (d) In addition to the fee described by Subsection (b), the  
24 applicant shall pay a \$65 rebuilder fee. The applicant shall  
25 include the fee with the statement submitted under Section 502.156  
26 for the vehicle.

27 SECTION 58. Section 501.138(b-2), Transportation Code, is

1 amended to read as follows:

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

17 SECTION 59. Subchapter G, Chapter 501, Transportation Code,  
18 is amended by adding Section 501.139 to read as follows:

19 Sec. 501.139. ELECTRONIC FUNDS TRANSFER. A county  
20 assessor-collector that transfers money to the department under  
21 this chapter shall transfer the money electronically.

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

24 (d) A late fee imposed under this section may not exceed  
25 \$250.

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

1        (c) In addition to other title fees, the board by rule may  
2 set a fee to be assessed for the issuance of a paper title to cover  
3 the cost of administering the electronic titling system.

4        SECTION 62. Section 502.001, Transportation Code, is  
5 amended by amending Subdivision (7) and adding Subdivision (39-a)  
6 to read as follows:

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

13            (39-a) "Shipping weight" means the weight generally  
14 accepted as the empty weight of a vehicle.

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

17            (b) The application must be accompanied by personal  
18 identification as determined by department rule and made in a  
19 manner prescribed by the department:

20            (1) through the county assessor-collector of the  
21 county in which the owner resides; [~~or~~]

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

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

1 the disaster; and

2 (B) is inoperable for a protracted period of  
3 time; or

4 (3) if the county assessor-collector's office in which  
5 the owner resides is closed for a protracted period of time as  
6 defined by the department, to the county assessor-collector of a  
7 county that borders the county in which the owner resides who agrees  
8 to accept the application.

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

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

15 (2) registering a [~~motor~~] vehicle under this section.

16 SECTION 64. The heading to Section 502.043, Transportation  
17 Code, is amended to read as follows:

18 Sec. 502.043. APPLICATION FOR REGISTRATION AND CERTAIN  
19 PERMITS.

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

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

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

27 (2) contain a full description of the vehicle as

1 required by department rule.

2 (b) The department shall deny the registration of or  
3 permitting under Section 502.094 or 502.095 of a commercial motor  
4 vehicle, truck-tractor, trailer, or semitrailer if the applicant:

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

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

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

17 (4) fails to deliver to the county assessor-collector  
18 proof of the weight of the vehicle, the maximum load to be carried  
19 on the vehicle, and the gross weight for which the vehicle is to be  
20 registered.

21 (c) In lieu of filing an application during a year as  
22 provided by Subsection (a), the owner of a vehicle registered in any  
23 state for that year or the preceding year may present:

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

26 (2) other evidence satisfactory to the county  
27 assessor-collector that the person owns the vehicle~~[, if any]~~.

1           (c-1) A [~~The~~] county assessor-collector shall accept a  
2 [~~the~~] receipt or evidence provided under Subsection (c) as an  
3 application for renewal of the registration if the receipt or  
4 evidence indicates the applicant owns the vehicle. This section  
5 allows issuance for registration purposes only but does not  
6 authorize the department to issue a title.

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

9           Sec. 502.055. DETERMINATION OF WEIGHT AND SEATING CAPACITY.

10          SECTION 67. Section 502.055, Transportation Code, is  
11 amended by adding Subsections (c) and (d) to read as follows:

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

14                 (1) the manufacturer's rated seating capacity,  
15 excluding the operator's seat; or

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

20          (d) For registration purposes:

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

23                 (2) the weight of a municipal bus or private bus is  
24 calculated by adding the following and rounding to the next highest  
25 100 pounds:

26                         (A) the shipping weight of the bus; and

27                         (B) the seating capacity multiplied by 150

1 pounds.

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

4 (b) The department shall issue a receipt for a permit issued  
5 ~~[distinguishing insignia for a vehicle issued a permit]~~ under this  
6 section in a manner provided by the department. The permit receipt  
7 must contain the information required by this section and be  
8 carried in the vehicle for which it is issued at all times during  
9 which it is valid. ~~[The insignia must be attached to the vehicle in~~  
10 ~~lieu of regular license plates and must show the permit expiration~~  
11 ~~date.]~~ A permit issued under this section is valid until the  
12 earlier of:

13 (1) the date the vehicle's registration in the owner's  
14 home state or country expires; or

15 (2) the 30th day after the date the permit is issued.

16 SECTION 69. Sections 502.094(c) and (d), Transportation  
17 Code, are amended to read as follows:

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

19 (1) applying to the county assessor-collector or ~~[~~  
20 the department~~], or the department's wire service agent, if the~~  
21 ~~department has a wire service agent];~~

22 (2) paying a fee of \$25 for a 72-hour permit or \$50 for  
23 a 144-hour permit in the manner prescribed by the department that  
24 may include a service charge for a credit card payment or escrow  
25 account;

26 (3) furnishing to the county assessor-collector or ~~[~~  
27 the department~~], or the department's wire service agent,~~] evidence

1 of financial responsibility for the vehicle that complies with  
2 Sections 502.046(c) and 601.168(a); and

3 (4) submitting a copy of the applicable federal  
4 declaration form required by the Federal Motor Carrier Safety  
5 Administration or its successor in connection with the importation  
6 of a motor vehicle or motor vehicle equipment subject to the federal  
7 motor vehicle safety, bumper, and theft prevention standards.

8 (d) A county assessor-collector shall report and send a fee  
9 collected under this section in the manner provided by Section  
10 502.198. [~~Each week, a wire service agent shall send to the~~  
11 ~~department a report of all permits issued by the agent during the~~  
12 ~~previous week.~~] The board by rule shall prescribe the format and  
13 content of a report required by this subsection.

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

16 Sec. 502.168. FEE: MOTOR BUS. The fee for a registration  
17 year for registration of a motor bus is the fee prescribed by  
18 Section 502.252 [~~502.161~~] or 502.253 [~~502.162~~], as applicable.

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

21 Sec. 502.199. ELECTRONIC FUNDS TRANSFER. A county  
22 assessor-collector that transfers money to the department under  
23 this chapter shall transfer the money electronically.

24 SECTION 72. Section 502.433(a), Transportation Code, is  
25 amended to read as follows:

26 (a) The registration fee for a commercial motor vehicle as a  
27 farm vehicle is 50 percent of the applicable fee under Section

1 502.252 or 502.253, as applicable, if the vehicle's owner will use  
2 the vehicle for commercial purposes only to transport:

3 (1) the person's own poultry, dairy, livestock,  
4 livestock products, timber in its natural state, or farm products  
5 to market or another place for sale or processing;

6 (2) laborers from their place of residence to the  
7 owner's farm or ranch; or

8 (3) without charge, materials, tools, equipment, or  
9 supplies from the place of purchase or storage to the owner's farm  
10 or ranch exclusively for the owner's use or for use on the farm or  
11 ranch.

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

14 (d) A court may dismiss a charge brought under Subsection  
15 (a) if the defendant pays an administrative fee not to exceed \$10  
16 and:

17 (1) remedies the defect before the defendant's first  
18 court appearance; or

19 (2) shows that the motor vehicle was issued a  
20 registration insignia by the department that was attached to the  
21 motor vehicle, establishing that the vehicle was registered for the  
22 period during which the offense was committed[~~, and~~

23 [~~(2) pays an administrative fee not to exceed \$10].~~

24 SECTION 74. Subchapter K, Chapter 502, Transportation Code,  
25 is amended by adding Section 502.4755 to read as follows:

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

1           (1) manufactures, sells, or possesses a registration  
2 insignia deceptively similar to the registration insignia of the  
3 department; or

4           (2) makes a copy or likeness of an insignia  
5 deceptively similar to the registration insignia of the department  
6 with intent to sell the copy or likeness.

7           (b) For the purposes of this section, an insignia is  
8 deceptively similar to the registration insignia of the department  
9 if the insignia is not prescribed by the department but a reasonable  
10 person would presume that it was prescribed by the department.

11           (c) A district or county court, on application of the  
12 attorney general or of the district attorney or prosecuting  
13 attorney performing the duties of the district attorney for the  
14 district in which the court is located, may enjoin a violation or  
15 threatened violation of this section on a showing that a violation  
16 has occurred or is likely to occur.

17           (d) It is an affirmative defense to a prosecution under this  
18 section that the insignia was produced pursuant to a licensing  
19 agreement with the department.

20           (e) An offense under this section is a felony of the third  
21 degree.

22           SECTION 75. Section 502.491, Transportation Code, as  
23 redesignated from Section 502.451, Transportation Code, by Chapter  
24 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session,  
25 2011, is reenacted to incorporate amendments to Section 502.451,  
26 Transportation Code, made by Chapters 432 (S.B. 1057) and 1296  
27 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011,

1 and amended to read as follows:

2           Sec. 502.491. TRANSFER OF VEHICLE REGISTRATION. (a) On the  
3 sale or transfer of a [motor] vehicle, the registration insignia  
4 issued for the [motor] vehicle shall be removed. The registration  
5 period remaining at the time of sale or transfer expires at the time  
6 of sale or transfer.

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

10           (b) On a sale or transfer of a [motor] vehicle in which  
11 neither party holds a general distinguishing number issued under  
12 Chapter 503, the part of the registration period remaining at the  
13 time of the sale or transfer shall continue with the vehicle being  
14 sold or transferred and does not transfer with the license plates or  
15 registration validation insignia. To continue the remainder of the  
16 registration period, the purchaser or transferee must file the  
17 documents required under Section 501.145.

18           (c) On the sale or transfer of a [motor] vehicle to a dealer,  
19 as defined by Section 503.001, who holds a general distinguishing  
20 number issued under Chapter 503, the registration period remaining  
21 at the time of the sale or transfer expires at the time of the sale  
22 or transfer. On the sale of a used [motor] vehicle by a dealer, the  
23 dealer shall issue to the buyer new registration documents for an  
24 entire registration year.

25           (d) If the transferor has paid for more than one year of  
26 registration, the department may credit the transferor for any time  
27 remaining on the registration in annual increments.

1 SECTION 76. Sections 503.009(a), (c), and (d),  
2 Transportation Code, are amended to read as follows:

3 (a) The board [~~department's Motor Vehicle Board~~] may  
4 conduct hearings in contested cases brought under this chapter  
5 [~~and~~] as provided by this chapter and Chapter 2301, Occupations  
6 Code.

7 (c) A decision or final order issued under this section is  
8 final and may not be appealed, as a matter of right, to the board  
9 [~~commission~~].

10 (d) The board [~~department's Motor Vehicle Board~~] may adopt  
11 rules for the procedure, a hearing, or an enforcement proceeding  
12 for an action brought under this section.

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

15 (e) Other than license plates issued under Subsection (h),  
16 license plates issued under this section must include:

17 (1) the letters "DV" [~~as a prefix or suffix to any~~  
18 ~~numeral~~] on the plate if the plate is issued for a vehicle other  
19 than a motorcycle; and

20 (2) the words "Disabled Veteran" and "U.S. Armed  
21 Forces" at the bottom of each license plate.

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

24 Sec. 504.306. MEMBERS AND FORMER MEMBERS OF [~~PERSONS~~  
25 ~~RETIRED FROM SERVICE IN~~] MERCHANT MARINE OF THE UNITED STATES. The  
26 department shall issue specialty license plates for members and  
27 former members of [~~persons retired from service in~~] the merchant

1 marine of the United States. The license plates must include the  
2 words "Merchant Marine."

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

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

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

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

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

22 (e) This section applies only to:

23 (1) a passenger vehicle with a gross weight of 6,000  
24 pounds or less; and

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

27 SECTION 82. Section 504.945(d), Transportation Code, is

1 amended to read as follows:

2 (d) A court may dismiss a charge brought under Subsection  
3 (a)(3), (5), (6), or (7) if the defendant:

4 (1) remedies the defect before the defendant's first  
5 court appearance; ~~and~~

6 (2) pays an administrative fee not to exceed \$10; and

7 (3) shows that the vehicle was issued a plate by the  
8 department that was attached to the vehicle, establishing that the  
9 vehicle was registered for the period during which the offense was  
10 committed.

11 SECTION 83. Subchapter L, Chapter 504, Transportation Code,  
12 is amended by adding Sections 504.946, 504.947, and 504.948 to read  
13 as follows:

14 Sec. 504.946. DECEPTIVELY SIMILAR LICENSE PLATE. (a) A  
15 person commits an offense if the person:

16 (1) manufactures, sells, or possesses a license plate  
17 deceptively similar to a license plate issued by the department; or

18 (2) makes a copy or likeness of a license plate  
19 deceptively similar to a license plate issued by the department  
20 with intent to sell the copy or likeness.

21 (b) For the purposes of this section, a license plate is  
22 deceptively similar to a license plate issued by the department if  
23 it is not prescribed by the department but a reasonable person would  
24 presume that it was prescribed by the department.

25 (c) A district or county court, on application of the  
26 attorney general or of the district attorney or prosecuting  
27 attorney performing the duties of the district attorney for the

1 district in which the court is located, may enjoin a violation or  
2 threatened violation of this section on a showing that a violation  
3 has occurred or is likely to occur.

4 (d) It is an affirmative defense to a prosecution under this  
5 section that the license plate was produced pursuant to a licensing  
6 agreement with the department.

7 (e) An offense under this section is a felony of the third  
8 degree.

9 Sec. 504.947. LICENSE PLATE FLIPPER; OFFENSE. (a) In this  
10 section "license plate flipper" means a manual, electric, or  
11 mechanical device designed or adapted to be installed on a motor  
12 vehicle and:

13 (1) switch between two or more license plates for the  
14 purpose of allowing a motor vehicle operator to change the license  
15 plate displayed on the operator's vehicle; or

16 (2) hide a license plate from view by flipping the  
17 license plate so that the license plate number is not visible.

18 (b) A person commits an offense if the person with criminal  
19 negligence uses, purchases, or possesses a license plate flipper.  
20 An offense under this subsection is a Class B misdemeanor.

21 (c) A person commits an offense if the person with criminal  
22 negligence manufactures, sells, offers to sell, or otherwise  
23 distributes a license plate flipper. An offense under this  
24 subsection is a Class A misdemeanor.

25 Sec. 504.948. GENERAL PENALTY. (a) A person commits an  
26 offense if the person violates a provision of this chapter and no  
27 other penalty is prescribed for the violation.

1           (b) An offense under Subsection (a) is a misdemeanor  
2 punishable by a fine of not less than \$5 or more than \$200.

3           SECTION 84. Section 520.001, Transportation Code, is  
4 amended to read as follows:

5           Sec. 520.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

6           (1) "Board" means the board of the Texas Department of  
7 Motor Vehicles.

8           (2) "Department" [~~,"department"~~] means the Texas  
9 Department of Motor Vehicles.

10          SECTION 85. Section 520.003, Transportation Code, is  
11 amended to read as follows:

12          Sec. 520.003. RULES; [WAIVER OF] FEES; REFUNDS. (a) The  
13 department may adopt rules to administer this chapter, including  
14 rules that:

15           (1) waive the payment of fees if a dealer has gone out  
16 of business and the applicant can show that fees were paid to the  
17 dealer; and

18           (2) allow full and partial refunds for rejected  
19 titling and registration transactions.

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

26          SECTION 86. Section 520.005, Transportation Code, is  
27 amended by amending Subsection (c) and adding Subsection (d) to

1 read as follows:

2 (c) Notwithstanding the requirements of Section 520.0071  
3 [~~Sections 520.008 and 520.0091~~], the assessor-collector may  
4 license franchised and non-franchised motor vehicle dealers to  
5 title and register motor vehicles in accordance with rules adopted  
6 under Section 520.004. The county assessor-collector may pay a fee  
7 to a motor vehicle dealer independent of or as part of the portion  
8 of the fees that would be collected by the county for each title and  
9 registration receipt issued.

10 (d) Each county assessor-collector shall process a  
11 registration renewal through an online system designated by the  
12 department.

13 SECTION 87. Section 520.006(a-1), Transportation Code, as  
14 added by Chapters 1290 (H.B. 2017) and 1296 (H.B. 2357), Acts of the  
15 82nd Legislature, Regular Session, 2011, is reenacted and amended  
16 to read as follows:

17 (a-1) A county assessor-collector collecting fees on behalf  
18 of a county that has been declared as a disaster area or that is  
19 closed for a protracted period of time as defined by the department  
20 for purposes of Section 501.023 or 502.040 may retain the  
21 commission for fees collected, but shall allocate the fees to the  
22 county declared as a disaster area or that is closed for a  
23 protracted period of time.

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

26 Sec. 520.0061. CONTRACTS BETWEEN COUNTIES. (a) A county  
27 tax assessor-collector, with approval of the commissioners court of

1 the county by order, may enter into an agreement with one or more  
2 counties to perform mail-in or online registration or titling  
3 duties.

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

6 SECTION 89. Subchapter A, Chapter 520, Transportation Code,  
7 is amended by adding Section 520.0071 to read as follows:

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

10 (1) the classification types of deputies performing  
11 titling and registration duties;

12 (2) the duties and obligations of deputies;

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

16 (4) the fees that may be charged or retained by  
17 deputies.

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

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

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

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

1           (a) The department may [~~This section applies only to the~~  
2 lease ~~of~~] equipment and provide related services to a:

3                 (1) county for the operation of the automated  
4 registration and titling system in addition to the equipment  
5 provided by the department at no cost to the county under a formula  
6 prescribed by the department; and

7                 (2) deputy appointed under Section 520.0071.

8           (b-1) On the request of a deputy appointed under Section  
9 520.0071, the department may enter into an agreement under which  
10 the department leases equipment to the deputy for the use of the  
11 deputy in operating the automated registration and titling system.  
12 The department may require the deputy to post a bond in an amount  
13 equal to the value of the equipment.

14           (c) A county may install equipment leased under this section  
15 at offices of the county or of an agent of the county. A deputy  
16 appointed under Section 520.0071 may install equipment leased under  
17 this section on the premises described in the agreement.

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

23           SECTION 92. Section 520.016(c), Transportation Code, is  
24 amended to read as follows:

25           (c) This section does not apply to a violation of Section  
26 520.006 or a rule adopted under Section 520.0071 [~~520.008,~~  
27 ~~520.009, 520.0091, or 520.0092~~].

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

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

5 (1) in a master planned community:

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

8 (B) for which a county or municipality has  
9 approved a plat;

10 (2) on a public or private beach; or

11 (3) on a public highway for which the posted speed  
12 limit is not more than 35 miles per hour, if the neighborhood  
13 electric vehicle is operated:

14 (A) during the daytime; and

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

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

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

22 Sec. 551.402. REGISTRATION NOT AUTHORIZED. (a) The Texas  
23 Department of Motor Vehicles [~~Transportation~~] may not register a  
24 golf cart for operation on a public highway regardless of whether  
25 any alteration has been made to the golf cart.

26 (b) The Texas Department of Motor Vehicles [~~department~~] may  
27 issue license plates for a golf cart only as authorized by Section

1 504.510.

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

4 (a) Section 601.051 does not apply to:

5 (1) the operation of a motor vehicle that:

6 (A) is a former military vehicle or is at least 25  
7 years old;

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

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

14 (2) the operation of a neighborhood electric vehicle  
15 or a golf cart that is operated only as authorized by Section  
16 551.304 or 551.403; or

17 (3) a volunteer fire department for the operation of a  
18 motor vehicle the title of which is held in the name of a volunteer  
19 fire department.

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

22 (4) "Director" means:

23 (A) the executive director of the department; or

24 (B) an employee of the department who is:

25 (i) a division or special office director  
26 or holds a rank higher than division or special office director; and

27 (ii) designated by the executive director

1 [~~Texas Department of Motor Vehicles~~].

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

4 (a) A copy of the registration receipt issued under Section  
5 502.057 [~~502.178~~] for a commercial motor vehicle, truck-tractor,  
6 trailer, or semitrailer shall be:

7 (1) carried on the vehicle when the vehicle is on a  
8 public highway; and

9 (2) presented to an officer authorized to enforce this  
10 chapter on request of the officer.

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

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

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

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

1 highway system.

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

4 Sec. 621.510. PERMIT VOID. A permit issued under this  
5 chapter is void on the failure of the owner or the owner's  
6 representative to comply with a rule of the board or with a  
7 condition placed on the permit by the department.

8 SECTION 101. Section 622.074, Transportation Code, is  
9 amended to read as follows:

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

12 (1) farm equipment used for a purpose other than  
13 construction;

14 (2) special mobile equipment owned by a dealer or  
15 distributor;

16 (3) a vehicle used to propel special mobile equipment  
17 that is registered as a farm vehicle under [~~as defined by~~] Section  
18 502.433 [~~502.163~~]; or

19 (4) equipment while being used by a commercial hauler  
20 to transport special mobile equipment under hire of a person who  
21 derives \$500 in gross receipts annually from a farming or ranching  
22 enterprise.

23 SECTION 102. Section 622.901, Transportation Code, is  
24 amended to read as follows:

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

27 (1) highway building or maintenance machinery that is

1 traveling:

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

5 (B) for not more than 50 miles on a highway that  
6 is part of the national system of interstate and defense highways;

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

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

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

17 (i) to deliver the tractor or implement to a  
18 new owner;

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

21 (iii) in the course of an agricultural  
22 operation;

23 (3) machinery that is used solely for drilling water  
24 wells, including machinery that is a unit or a unit mounted on a  
25 conventional vehicle or chassis, and that is traveling:

26 (A) during daylight on a public highway other  
27 than a highway that is part of the national system of interstate and

1 defense highways; or

2 (B) for not more than 50 miles on a highway that  
3 is part of the national system of interstate and defense highways;

4 (4) a vehicle owned or operated by a public, private,  
5 or volunteer fire department;

6 (5) a vehicle registered under Section 502.431  
7 [~~502.164~~]; or

8 (6) a recreational vehicle to which Section 622.903  
9 applies.

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

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

13 (1) the vehicle must be registered under Chapter 502  
14 for the maximum gross weight applicable to the vehicle under  
15 Section 621.101, not to exceed 80,000 pounds;

16 (2) the security requirement of Section 623.012 must  
17 be satisfied; and

18 (3) a base permit fee of \$90, any additional fee  
19 required by Section 623.0111, and any additional fee set by the  
20 board [~~department~~] under Section 623.0112 must be paid.

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

23 (c) The department shall issue the prorated credit if the  
24 person:

25 (1) pays the fee adopted by the board [~~department~~];

26 and

27 (2) provides the department with:

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

5 (d) The fee adopted by the board [~~department~~] under  
6 Subsection (c)(1) may not exceed the cost of issuing the credit.

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

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

10 SECTION 106. Sections 623.0711(a), (b), (c), (d), (f), (g),  
11 and (h), Transportation Code, are amended to read as follows:

12 (a) The board [~~commission~~] by rule may authorize the  
13 department to issue a permit to a motor carrier, as defined by  
14 Section 643.001, to transport multiple loads of the same commodity  
15 over a state highway if all of the loads are traveling between the  
16 same general locations.

17 (b) The board [~~commission~~] may not authorize the issuance of  
18 a permit that would allow a vehicle to:

19 (1) violate federal regulations on size and weight  
20 requirements; or

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

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

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

27 (2) complete a route and engineering study that

1 considers:

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

4 (B) the size and weight of the commodity;

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

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

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

11 (F) the safety of the traveling public.

12 (d) The board [~~commission~~] rules may authorize the  
13 department to impose on the motor carrier any condition regarding  
14 routing, time of travel, axle weight, and escort vehicles necessary  
15 to ensure safe operation and minimal damage to the roadway.

16 (f) The board [~~commission~~] shall require the motor carrier  
17 to file a bond in an amount set by the board [~~commission~~], payable  
18 to the Texas Department of Transportation [~~department~~] and  
19 conditioned on the motor carrier paying to the Texas Department of  
20 Transportation [~~department~~] any damage that is sustained to a state  
21 highway because of the operation of a vehicle under a permit issued  
22 under this section.

23 (g) An application for a permit under this section must be  
24 accompanied by the permit fee established by the board [~~commission~~]  
25 for the permit, not to exceed \$9,000. The department shall send each  
26 fee to the comptroller for deposit to the credit of the state  
27 highway fund.

1 (h) In addition to the fee established under Subsection (g),  
2 the board [~~commission~~] rules must authorize the department to  
3 collect a consolidated permit payment for a permit under this  
4 section in an amount not to exceed 15 percent of the fee established  
5 under Subsection (g), to be deposited to the credit of the state  
6 highway fund.

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

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

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

14 Sec. 623.144. REGISTRATION OF VEHICLE. (a) A person may  
15 not operate a vehicle permitted [~~A permit~~] under this subchapter on  
16 a public highway unless [~~may be issued only if~~] the vehicle is  
17 registered under Chapter 502 for the maximum gross weight  
18 applicable to the vehicle under Section 621.101 or has specialty  
19 [~~the distinguishing~~] license plates as provided by Section 502.146  
20 [~~504.504~~] if applicable to the vehicle.

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

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

26 (a) The department may establish criteria to determine  
27 whether oil well servicing, oil well clean out, or oil well drilling

1 machinery or equipment is subject to registration under Chapter 502  
2 or eligible for the distinguishing license plate provided by  
3 Section 502.146 [~~504.504~~].

4 SECTION 110. Section 623.194, Transportation Code, is  
5 amended to read as follows:

6 Sec. 623.194. REGISTRATION OF VEHICLE. A permit under this  
7 subchapter may be issued only if the vehicle to be moved is  
8 registered under Chapter 502 for the maximum gross weight  
9 applicable to the vehicle under Section 621.101 or has the  
10 distinguishing license plates as provided by Section 502.146  
11 [~~504.504~~] if applicable to the vehicle.

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

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

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

22 SUBCHAPTER R. PERMIT TO DELIVER RELIEF SUPPLIES DURING NATIONAL  
23 EMERGENCY

24 Sec. 623.341. PERMIT TO DELIVER RELIEF SUPPLIES. (a)  
25 Notwithstanding any other law, the department may issue a special  
26 permit during a major disaster as declared by the president of the  
27 United States under the Robert T. Stafford Disaster Relief and

1 Emergency Assistance Act (42 U.S.C. Section 5121 et seq.) to an  
2 overweight or oversize vehicle or load that:

3 (1) can easily be dismantled or divided; and

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

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

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

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

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

17 (a) A person commits an offense if:

18 (1) the person operates on a public street, road, or  
19 highway:

20 (A) a commercial motor vehicle that has three or  
21 more axles;

22 (B) a truck-tractor;

23 (C) a road-tractor; or

24 (D) a tow truck; and

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

1 (A) show the name of the owner or operator of the  
2 vehicle;

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

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

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

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

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

15 (a) The department shall register a motor carrier under this  
16 subchapter if the carrier complies with Sections 643.052 and  
17 643.053.

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

20 (a-2) The department may deny a registration if the  
21 applicant's business is operated, managed, or otherwise controlled  
22 by or affiliated with a person, including the applicant, a  
23 relative, family member, corporate officer, or shareholder, whom  
24 the Department of Public Safety has determined has:

25 (1) an unsatisfactory safety rating under 49 C.F.R.  
26 Part 385; or

27 (2) multiple violations of Chapter 644, a rule adopted

1 under that chapter, or Subtitle C.

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

8 (1) an unsatisfactory safety rating under 49 C.F.R.  
9 Part 385; or

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

12 SECTION 116. Section 643.064, Transportation Code, is  
13 amended to read as follows:

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

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

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

27 Sec. 643.2526. APPEAL OF DENIAL OF REGISTRATION, RENEWAL,

1 OR REINSTATEMENT. (a) Notwithstanding any other law, a denial of an  
2 application for registration, renewal of registration, or  
3 reinstatement of registration under this chapter is not required to  
4 be preceded by notice and an opportunity for hearing.

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

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

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

15 (b) This subchapter supersedes that portion of any paired  
16 city, paired state, or similar understanding governing foreign  
17 commercial motor vehicles or motor carriers entered into under  
18 Section 502.091 [~~502.054~~] or any other law.

19 SECTION 119. Section 648.102(a), Transportation Code, is  
20 amended to read as follows:

21 (a) The Texas Department of Motor Vehicles [~~Transportation~~]  
22 shall adopt rules that conform with 49 C.F.R. Part 387 requiring  
23 motor carriers operating foreign commercial motor vehicles in this  
24 state to maintain financial responsibility.

25 SECTION 120. Section 681.003(b), Transportation Code, is  
26 amended to read as follows:

27 (b) An application for a disabled parking placard must be:

- 1 (1) on a form furnished by the department;
- 2 (2) submitted to the county assessor-collector of the  
3 county in which the person with the disability resides or in which  
4 the applicant is seeking medical treatment if the applicant is not a  
5 resident of this state; and
- 6 (3) accompanied by a fee of \$5 if the application is  
7 for a temporary placard.

8 SECTION 121. Section 681.0031, Transportation Code, is  
9 amended to read as follows:

10 Sec. 681.0031. APPLICANT'S [~~DRIVER'S LICENSE OR PERSONAL~~]  
11 IDENTIFICATION [~~CARD NUMBER~~]. (a) The applicant shall include on  
12 the application the applicant's:

- 13 (1) driver's license number or the number of a personal  
14 identification card issued to the applicant under Chapter 521;
- 15 (2) military identification number; or
- 16 (3) driver's license number of a driver's license  
17 issued by another state or country if the applicant is not a  
18 resident of this state and is seeking medical treatment in this  
19 state. [~~The department shall provide for this information in~~  
20 ~~prescribing the application form.~~]

21 (b) The county assessor-collector shall record on any  
22 disabled parking placard issued to the applicant the following  
23 information in the following order:

- 24 (1) the county number assigned by the comptroller to  
25 the county issuing the placard;
- 26 (2) the first four digits of the applicant's driver's  
27 license number, personal identification card number, or military

1 identification number; and

2 (3) the applicant's initials.

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

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

7 (1) is valid for:

8 (A) [~~a period of~~] four years for a resident of  
9 this state; and

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

12 (2) shall be replaced or renewed on request of the  
13 person to whom the initial card was issued without presentation of  
14 evidence of eligibility.

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

17 Sec. 681.012. SEIZURE AND REVOCATION OF PLACARD. (a) A law  
18 enforcement officer who believes that an offense under Section  
19 681.011(a) or (d) has occurred in the officer's presence shall  
20 seize any disabled parking placard involved in the offense. Not  
21 later than 48 hours after the seizure, the officer shall determine  
22 whether probable cause existed to believe that the offense was  
23 committed. If the officer does not find that probable cause  
24 existed, the officer shall promptly return each placard to the  
25 person from whom it was seized. If the officer finds that probable  
26 cause existed, the officer, not later than the fifth day after the  
27 date of the seizure, shall destroy the [~~submit each seized~~] placard

1 and notify ~~[to]~~ the department.

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

- 10 (1) the person operating the vehicle;  
11 (2) the applicant on behalf of a person being  
12 transported by the vehicle; or  
13 (3) a person being transported by the vehicle.

14 (a-2) A peace officer shall destroy a seized ~~[submit each~~  
15 ~~seized parking]~~ placard and notify ~~[to]~~ the department ~~[not later~~  
16 ~~than the fifth day after the seizure].~~

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

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

25 (d) This section does not prohibit the quoting of a price  
26 for a motor home or ~~[r]~~ tow truck~~[, or towable recreational vehicle]~~  
27 at a show or exhibition described by Section 2301.358, Occupations

1 Code.

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

4 (c) This section does not:

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

7 (A) a law enforcement agency, the Texas  
8 Department of Motor Vehicles, a county tax assessor-collector, or a  
9 criminal justice agency for an official purpose;

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

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

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

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

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

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

26 (2) require the payment of a discount or service  
27 charge for a credit card payment in addition to the fee; and

1           (3) require an overpayment of a motor vehicle or  
2 salvage dealer license fee of:

3           (A) less than \$10 to be credited toward a future  
4 fee requirement; and

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

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

8           Sec. 1001.012. IMMUNITY FROM LIABILITY. (a)

9 Notwithstanding any other law, the executive director, a board  
10 member, or an employee is not personally liable for damages  
11 resulting from an official act or omission unless the act or  
12 omission constitutes intentional or malicious malfeasance.

13           (b) To the extent a person described by Subsection (a) is  
14 personally liable for damages for which the state provides  
15 indemnity under Chapter 104, Civil Practice and Remedies Code, this  
16 section does not affect the state's liability for the indemnity.

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

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

23           (b) The board by rule shall prescribe:

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

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

1           (3) the type and amount of any bonds that may be  
2 required for a business to perform certain functions; and

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

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

7           (b) The chair shall:

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

10           (2) represent the department in dealing with the  
11 governor;

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

14           (4) report to the board the governor's suggestions for  
15 department operations;

16           (5) report to the governor on efforts, including  
17 legislative requirements, to maximize the efficiency of department  
18 operations through the use of private enterprise;

19           (6) periodically review the department's  
20 organizational structure and submit recommendations for structural  
21 changes to the governor, the board, and the Legislative Budget  
22 Board;

23           (7) designate at least one employee [~~one or more~~  
24 ~~employees~~] of the department as a civil rights officer [~~division~~]  
25 of the department and receive regular reports from the officer or  
26 officers [~~division~~] on the department's efforts to comply with  
27 civil rights legislation and administrative rules;

1           (8) create subcommittees, appoint board members to  
2 subcommittees, and receive the reports of subcommittees to the  
3 board as a whole;

4           (9) appoint a member of the board to act in the absence  
5 of the chair and vice chair; and

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

9           SECTION 130. Section 1001.042, Transportation Code, is  
10 amended to read as follows:

11           Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board  
12 shall develop and implement policies that clearly define the  
13 respective responsibilities of the executive director and the staff  
14 of the department.

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

17           (2) "License" includes:

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

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

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

25                   (D) an apportioned registration issued according  
26 to the International Registration Plan under Section 502.091  
27 [~~502.054~~].

1 SECTION 132. The following laws are repealed:

2 (1) Sections 2301.101, 2301.157, 2301.259(b), and  
3 2301.606(a), Occupations Code;

4 (2) Sections 502.252(b), 503.009(b), 503.029(b),  
5 503.030(b), 503.066(b), 520.008, 520.009, 520.0091, 520.0092,  
6 623.0711(k), and 623.093(f), Transportation Code; and

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

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

18 SECTION 134. A deputy appointed under Section 520.0091,  
19 Transportation Code, on or before August 31, 2013, may continue to  
20 perform the services authorized under Sections 520.008, 520.009,  
21 520.0091, and 520.0092, Transportation Code, until the Texas  
22 Department of Motor Vehicles Board adopts rules regarding the types  
23 of deputies authorized to perform titling and registration duties  
24 under Section 520.0071, Transportation Code, as added by this Act.

25 SECTION 135. To the extent of any conflict, this Act  
26 prevails over another Act of the 83rd Legislature, Regular Session,  
27 2013, relating to nonsubstantive additions to and corrections in

1 enacted codes.

2 SECTION 136. (a) Except as provided by Subsection (b) of  
3 this section, this Act takes effect September 1, 2013.

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

**ADOPTED**

FLOOR AMENDMENT NO. 1

MAY 17 2013 BY: Nichols

*Atay Law*  
Secretary of the Senate

1 Amend C.S.H.B. No. 2741 (Senate Committee printing) as  
2 follows:

3 (1) In SECTION 103 of the bill, in amended Section  
4 623.011(b), Transportation Code (page 21, line 40), strike "\$90"  
5 and substitute "\$180 [~~\$90~~"].

6 (2) In SECTION 133 of the bill (page 27, line 50), between  
7 "SECTION 133." and "The changes", insert "(a)".

8 (3) Immediately following SECTION 133 of the bill (page  
9 27, between lines 57 and 58), add the following:

10 (b) The changes in law made by this Act to Section  
11 623.011, Transportation Code, apply only to an application for a  
12 permit that is filed on or after the effective date of this Act.

13 (4) Add the following appropriately numbered SECTIONS to  
14 the bill and renumber subsequent SECTIONS of the bill  
15 accordingly:

16 SECTION \_\_\_\_\_. Subsection (a), Section 621.353,  
17 Transportation Code, is amended to read as follows:

18 (a) The comptroller shall send \$140 [~~\$50~~] of each base fee  
19 collected under Section 623.011 for an excess weight permit to  
20 the counties of the state, with each county receiving an amount  
21 determined according to the ratio of the total number of miles  
22 of county roads maintained by the county to the total number of  
23 miles of county roads maintained by all of the counties of this  
24 state. The comptroller shall deposit \$40 of each base fee, plus  
25 each fee collected under Section 623.0112, to the credit of the  
26 state highway fund. Money deposited to the credit of that fund  
27 under this subsection may be appropriated only to the department  
28 to administer this section and Sections 623.011, 623.0111, and  
29 623.0112.

1 SECTION \_\_\_\_\_. Subsections (a) and (c), Section 623.0111,  
2 Transportation Code, are amended to read as follows:

3 (a) When a person applies for a permit under Section  
4 623.011, the person must:

5 (1) designate in the application each county in which  
6 the vehicle will be operated; and

7 (2) pay in addition to other fees an annual fee in an  
8 amount determined according to the following table:

9	Number of Counties Designated	Fee
10	1-5	<u>\$250</u> [ <del>\$175</del> ]
11	6-20	<u>\$400</u> [ <del>\$250</del> ]
12	21-40	<u>\$690</u> [ <del>\$450</del> ]
13	41-60	<u>\$1,130</u> [ <del>\$625</del> ]
14	61-80	<u>\$1,570</u> [ <del>\$800</del> ]
15	81-100	<u>\$1,800</u> [ <del>\$900</del> ]
16	<u>101-150</u> [ <del>101-254</del> ]	<u>\$2,400</u> [ <del>\$1,000</del> ]
17	<u>151-200</u>	<u>\$2,700</u>
18	<u>201-254</u>	<u>\$3,000</u>

19 (c) Of the fees collected under Subsection (a) the  
20 following amounts shall be deposited to the general revenue fund  
21 and the remainder shall be deposited to the credit of the state  
22 highway fund:

23	Number of Counties	Amount Allocated to
24	Designated	General Revenue Fund
25	1-5	\$125
26	6-20	<u>\$200</u> [ <del>\$125</del> ]
27	21-40	\$345
28	41-60	\$565
29	61-80	\$785
30	81-100	\$900
31	<u>101-150</u> [ <del>101-254</del> ]	<u>\$1,200</u> [ <del>\$1,000</del> ]

1	<u>151-200</u>	<u>\$1,350</u>
2	<u>201-254</u>	<u>\$1,500</u>

**ADOPTED**

MAY 17 2013

FLOOR AMENDMENT NO. 2

*Atay Shaw*  
Secretary of the Senate

BY: Nichols

1 Amend C.S.H.B. No. 2741 (senate committee printing) as  
2 follows:

3 (1) In SECTION 132 of the bill, in Subdivision (2) (page  
4 27, lines 45-46), between "520.0092," and "623.0711(k)", insert  
5 "623.019(d),".

6 (2) Add the following appropriately numbered SECTIONS to  
7 the bill and renumber subsequent SECTIONS of the bill  
8 accordingly:

9 SECTION \_\_\_\_\_. Section 621.502, Transportation Code, is  
10 amended by adding Subsections (e), (f), and (g) to read as  
11 follows:

12 (e) Intent to operate a vehicle at a weight that is  
13 heavier than the weight authorized by a permit issued under  
14 Chapter 623, except for a permit issued under Section 623.011,  
15 is presumed if:

16 (1) the vehicle is operated at a weight that is seven  
17 percent heavier than the applicable weight allowed under Chapter  
18 623; and

19 (2) a permit to operate at that weight has not been  
20 issued for the vehicle.

21 (f) A person commits an offense if:

22 (1) the person operates a vehicle at a weight for  
23 which a permit is required by Chapter 623, other than a permit  
24 issued under Section 623.011, plus a tolerance allowance equal  
25 to seven percent of that weight; and

26 (2) the person has failed to obtain the permit.

27 (g) An offense under Subsection (f) is punishable by a  
28 fine of \$5,000. Half of the amount of each fine collected under  
29 this subsection shall be deposited to the credit of the state

1 highway fund. The remaining portion of the fine may be retained  
2 by the county in which the violation occurred to be used solely  
3 for the purposes of road maintenance on county roads and  
4 enforcement of traffic laws in the county.

5 SECTION \_\_\_\_\_. Section 621.503, Transportation Code, is  
6 amended by amending Subsections (a) and (b) and adding  
7 Subsection (d) to read as follows:

8 (a) A person may not load, or cause to be loaded, a  
9 vehicle for operation on a public highway of this state that  
10 exceeds the weight limitations for operation of that vehicle  
11 provided by Section 621.101 or Chapter 623.

12 (b) Intent to violate a limitation is presumed if the  
13 weight of the loaded vehicle is heavier than the applicable axle  
14 or gross weight limit by seven [~~15~~] percent or more.

15 (d) A violation of this section is subject to  
16 administrative enforcement under Subchapter N, Chapter 623,  
17 except that administrative enforcement may not be imposed on a  
18 shipper of crude oil, natural gas liquids, gasoline, diesel  
19 fuel, or aviation fuel, as those terms are defined by Section  
20 162.001, Tax Code, for a violation of this section.

21 SECTION \_\_\_\_\_. Section 621.506, Transportation Code, is  
22 amended by amending Subsections (a) and (b) and adding  
23 Subsections (b-1), (b-2), and (i) to read as follows:

24 (a) A person commits an offense if the person:

25 (1) operates a vehicle or combination of vehicles in  
26 violation of Section 621.101, [~~622.012,~~] 622.031, 622.041,  
27 622.0435, 622.051, 622.061, 622.133, 622.953, or 623.162; or

28 (2) loads a vehicle or causes a vehicle to be loaded  
29 in violation of Section 621.503.

30 (b) An offense under this section is a misdemeanor  
31 punishable:

1 (1) by a fine of not less than \$500 [~~\$100~~] and not  
2 more than \$1,250 [~~\$150~~];

3 (2) on conviction of an offense involving:

4 (A) a Class 1 weight violation, by a fine of  
5 not less than \$2,500 or more than \$4,500;

6 (B) a Class 2 weight violation, by a fine of  
7 not less than \$4,500 or more than \$8,000; or

8 (C) a Class 3 weight violation, by a fine of  
9 not less than \$9,250 or more than \$18,000 [~~a vehicle having a~~  
10 ~~single axle weight, tandem axle weight, or gross weight that is~~  
11 ~~more than 5,000 but not more than 10,000 pounds heavier than the~~  
12 ~~vehicle's allowable weight, by a fine of not less than \$300 or~~  
13 ~~more than \$500]; and~~

14 (3) [~~on conviction of an offense involving a vehicle~~  
15 ~~having a single axle weight, tandem axle weight, or gross weight~~  
16 ~~that is more than 10,000 pounds heavier than the vehicle's~~  
17 ~~allowable weight, by a fine of not less than \$500 or more than~~  
18 ~~\$1,000; or~~

19 [~~4~~] on conviction, before the first anniversary of  
20 the date of a previous conviction under this section, of a third  
21 offense under this section involving:

22 (A) a Class 1 weight violation, by a fine of not  
23 less than \$4,000 or more than \$5,500;

24 (B) a Class 2 weight violation, by a fine of not  
25 less than \$6,000 or more than \$9,000; or

26 (C) a Class 3 weight violation, by a fine of not  
27 less than \$12,500 or more than \$22,000 [~~by a fine in an amount~~  
28 ~~that is twice the amount specified by Subdivision (1), (2), or~~  
29 ~~(3)].~~

30 (b-1) For purposes of Subsection (b)(2), (3), or (4), a  
31 previous offense under this section includes any offense under

1 this section, regardless of whether the offense involved a  
2 weight class violation or the same weight class violation.

3 (b-2) In this section:

4 (1) a vehicle having a single axle weight or tandem  
5 axle weight that is more than the vehicle's allowable weight is  
6 a Class 1 weight violation, if the excess weight is more than  
7 5,000 pounds; and

8 (2) a vehicle having a gross weight that is more than  
9 the vehicle's allowable weight is:

10 (A) a Class 1 weight violation, if the excess  
11 weight is more than 5,000 pounds but not more than 10,000  
12 pounds;

13 (B) a Class 2 weight violation, if the excess  
14 weight is more than 10,000 pounds but not more than 20,000  
15 pounds; and

16 (C) a Class 3 weight violation, if the excess  
17 weight is more than 20,000 pounds.

18 (i) A violation of this section is subject to  
19 administrative enforcement under Subchapter N, Chapter 623.

20 SECTION \_\_\_\_\_. Subchapter G, Chapter 621, Transportation  
21 Code, is amended by adding Section 621.5061 to read as follows:

22 Sec. 621.5061. OFFENSE OF OPERATING OVERWEIGHT READY-MIXED  
23 CONCRETE TRUCK; PENALTY; DEFENSE. (a) In this section,  
24 "ready-mixed concrete truck" has the meaning assigned by Section  
25 622.011.

26 (b) A person commits an offense if the person operates a  
27 ready-mixed concrete truck in violation of Section 622.012.

28 (c) An offense under this section is a misdemeanor  
29 punishable:

30 (1) by a fine of not less than \$100 and not more than  
31 \$150;

1           (2) on conviction of an offense involving a vehicle  
2 having a single axle weight, tandem axle weight, or gross weight  
3 that is more than 5,000 pounds but not more than 10,000 pounds  
4 heavier than the vehicle's allowable weight, by a fine of not  
5 less than \$300 or more than \$500;

6           (3) on conviction of an offense involving a vehicle  
7 having a single axle weight, tandem axle weight, or gross weight  
8 that is more than 10,000 pounds heavier than the vehicle's  
9 allowable weight, by a fine of not less than \$500 or more than  
10 \$1,000; or

11           (4) on conviction before the first anniversary of the  
12 date of a previous conviction under this section, by a fine in  
13 an amount that is twice the amount specified by Subdivision (1),  
14 (2), or (3).

15           (d) On conviction of a violation of an axle weight  
16 limitation, the court may assess a fine less than the applicable  
17 minimum amount prescribed by Subsection (c) if the court finds  
18 that when the violation occurred:

19           (1) the vehicle was registered to carry the maximum  
20 gross weight authorized for that vehicle under Section 622.012;  
21 and

22           (2) the gross weight of the vehicle did not exceed  
23 that maximum gross weight.

24           (e) A judge or justice shall promptly report to the  
25 Department of Public Safety each conviction obtained in the  
26 judge's or the justice's court under this section. The  
27 Department of Public Safety shall keep a record of each  
28 conviction reported to it under this subsection.

29           (f) If a corporation fails to pay the fine assessed on  
30 conviction of an offense under this section, the district or  
31 county attorney in the county in which the conviction occurs may

1 file suit against the corporation to collect the fine.

2 (g) A justice or municipal court has jurisdiction of an  
3 offense under this section.

4 (h) Except as provided by Subsection (i), a governmental  
5 entity that collects a fine under this section for an offense  
6 involving a vehicle having a single axle weight, tandem axle  
7 weight, or gross weight that is more than 5,000 pounds heavier  
8 than the vehicle's allowable weight shall send an amount equal  
9 to 50 percent of the fine to the comptroller in the manner  
10 provided by Subchapter B, Chapter 133, Local Government Code.

11 (i) If the offense described by Subsection (h) occurred  
12 within 20 miles of an international border, the entire amount of  
13 the fine shall be deposited for the purposes of road maintenance  
14 in:

15 (1) the municipal treasury, if the fine was imposed  
16 by a municipal court; or

17 (2) the county treasury, if the fine was imposed by a  
18 justice court.

19 SECTION \_\_\_\_ . Section 621.507(b), Transportation Code, is  
20 amended to read as follows:

21 (b) An offense under this section is a misdemeanor  
22 punishable:

23 (1) by a fine of:

24 (A) not less than \$500 and not more than \$1,250;

25 or

26 (B) \$5,000, if the convicted person is a  
27 corporation [not to exceed \$200];

28 (2) on conviction before the first anniversary of the  
29 date of a previous conviction under this section:

30 (A) by a fine of not less than \$1,500 and not  
31 more than \$3,000 [to exceed \$500], by confinement in a county

1 jail for not more than 60 days, or by both the fine and  
2 confinement; or

3 (B) if the convicted person is a corporation, by  
4 a fine of \$8,000 [~~not to exceed \$1,000~~]; or

5 (3) on a conviction after [~~before~~] the first  
6 anniversary of the date of a previous conviction under this  
7 section that was punishable under Subdivision (1) [~~(2) or this~~  
8 ~~subdivision~~]:

9 (A) by a fine of not less than \$750 and not more  
10 than \$1,500 [~~to exceed \$1,000~~], by confinement in the county  
11 jail for not more than 30 days [~~six months~~], or by both the fine  
12 and confinement; or

13 (B) if the convicted person is a corporation, by  
14 a fine not to exceed \$6,500 [~~\$2,000~~].

15 SECTION \_\_\_\_\_. Section 623.019, Transportation Code, is  
16 amended by amending Subsections (b), (c), (e), and (f) and  
17 adding Subsections (b-1) and (b-2) to read as follows:

18 (b) An [~~Except as provided by Subsections (c) and (d), an~~]  
19 offense under Subsection (a) is a misdemeanor punishable:

20 (1) by a fine of not less than \$500 [~~\$100~~] or more  
21 than \$1,250;

22 (2) on conviction of an offense involving:

23 (A) a Class 1 weight violation, by a fine of  
24 not less than \$2,500 or more than \$4,500;

25 (B) a Class 2 weight violation, by a fine of  
26 not less than \$4,500 or more than \$8,000; or

27 (C) a Class 3 weight violation, by a fine of  
28 not less than \$9,250 or more than \$18,000; and

29 (3) on conviction, before the first anniversary of  
30 the date of a previous conviction under this section, of a third  
31 offense under this section involving:

1           (A) a Class 1 weight violation, by a fine of not  
2 less than \$4,000 or more than \$5,500;

3           (B) a Class 2 weight violation, by a fine of not  
4 less than \$6,000 or more than \$9,000; or

5           (C) a Class 3 weight violation, by a fine of not  
6 less than \$12,500 or more than \$22,000 [\$150].

7       (b-1) For purposes of Subsection (b)(2), (3), or (4), a  
8 previous offense under this section includes any offense under  
9 this section, regardless of whether the offense involved a  
10 weight class violation or the same weight class violation.

11       (b-2) In this section:

12           (1) a vehicle having a single axle weight or tandem  
13 axle weight that is more than the vehicle's allowable weight is  
14 a Class 1 weight violation, if the excess weight is more than  
15 5,000 pounds; and

16           (2) a vehicle having a gross weight that is more than  
17 the vehicle's allowable weight is:

18           (A) a Class 1 weight violation, if the excess  
19 weight is more than 5,000 pounds but not more than 10,000  
20 pounds;

21           (B) a Class 2 weight violation, if the excess  
22 weight is more than 10,000 pounds but not more than 20,000  
23 pounds; and

24           (C) a Class 3 weight violation, if the excess  
25 weight is more than 20,000 pounds.

26       (c) A violation of this section is subject to  
27 administrative enforcement under Subchapter N, Chapter 623. [~~An~~  
28 offense under Subsection (a) is a misdemeanor and, except as  
29 provided by Subsection (d), is punishable by a fine of:

30           ~~[(1) not less than \$300 or more than \$500 if the~~  
31 ~~offense involves a vehicle having a gross weight that is heavier~~

1 ~~than 5,000 but not heavier than 10,000 pounds over the vehicle's~~  
2 ~~allowable gross weight; or~~

3 ~~(2) not less than \$500 or more than \$1,000 if the~~  
4 ~~offense involves a vehicle having a gross weight that is at~~  
5 ~~least 10,000 pounds heavier than the vehicle's allowable gross~~  
6 ~~weight.]~~

7 (e) A governmental entity collecting a fine under this  
8 section [~~Subsection (e)~~] shall send an amount equal to 50  
9 percent of the fine to the comptroller.

10 (f) A justice of the peace has jurisdiction of any offense  
11 under this section. A municipal court has jurisdiction of an  
12 offense under this section in which the fine does not exceed  
13 \$10,000 [~~\$500~~]. A county or district court has jurisdiction of  
14 an offense under this section in which the fine exceeds \$10,000.

15 SECTION \_\_\_\_\_. Section 623.082(b), Transportation Code, is  
16 amended to read as follows:

17 (b) Except as provided by Subsection (c), an offense under  
18 this section is a misdemeanor punishable:

19 (1) by a fine of not more than \$1,500 [~~\$200~~];

20 (2) on conviction before the first anniversary of  
21 [within one year after] the date of a previous [prior]  
22 conviction under this section [that was punishable under  
23 Subdivision (1)], by a fine of not more than \$2,500 [~~\$500~~], by  
24 confinement in the county jail for not more than 60 days, or by  
25 both the fine and the confinement; [~~or~~]

26 (3) on conviction of a third offense before the first  
27 anniversary of the date of a previous conviction under  
28 Subdivision (1), by a fine of not more than \$3,500; or

29 (4) on conviction of an offense after the first  
30 anniversary of [within one year after] the date of a previous  
31 [prior] conviction under this section that was punishable under

1 Subdivision (1) [~~(2) or this subdivision~~], by a fine of not less  
2 [~~more~~] than \$2,000 [~~\$1,000~~], by confinement in the county jail  
3 for not more than 30 days [~~six months~~], or by both the fine and  
4 the confinement.

5 SECTION \_\_\_\_\_. Section 623.271, Transportation Code, is  
6 amended by amending Subsection (a) and adding Subsection (a-1)  
7 to read as follows:

8 (a) Except as provided by Subsection (a-1), the [~~The~~]  
9 department may investigate and, except as provided by Subsection  
10 (f), may impose an administrative penalty or revoke an oversize  
11 or overweight permit issued under this chapter if the person or  
12 the holder of the permit, as applicable:

13 (1) provides false information on the permit  
14 application or another form required by the department for the  
15 issuance of an oversize or overweight permit;

16 (2) violates this chapter, Chapter 621, or Chapter  
17 622;

18 (3) violates a rule or order adopted under this  
19 chapter, Chapter 621, or Chapter 622; or

20 (4) fails to obtain an oversize or overweight permit  
21 if a permit is required.

22 (a-1) The department may not revoke an oversize or  
23 overweight permit issued under Subchapter D for a violation of  
24 Section 623.082 unless the holder of the permit is convicted  
25 before the first anniversary of the date of a previous  
26 conviction under Section 623.082(b)(1) of three or more offenses  
27 under that section.

28 SECTION \_\_\_\_\_. Section 623.272, Transportation Code, is  
29 amended by adding Subsection (d) to read as follows:

30 (d) If the department imposes an administrative penalty on  
31 a shipper under this section, the department shall assess, in

1 addition to the penalty, a law enforcement fee in the amount of  
2 \$5,000 against the shipper. A fee collected under this  
3 subsection shall be remitted to the comptroller for deposit in a  
4 special account in the general revenue fund and may be  
5 appropriated only to the Department of Public Safety for  
6 commercial vehicle enforcement. This subsection does not apply  
7 to an administrative penalty imposed on a shipper of crude oil,  
8 natural gas liquids, gasoline, diesel fuel, or aviation fuel, as  
9 those terms are defined by Section 162.001, Tax Code.

**ADOPTED**

MAY 17 2013

*Atay Sew*  
Secretary of the Senate

FLOOR AMENDMENT NO. 3

BY: Wendy R. Davis

1 Amend H B. No. 2741 by adding the following  
2 appropriately numbered SECTION and renumbering subsequent  
3 SECTIONS accordingly:

4 SECTION \_\_\_\_\_. Section 504.660(b), Transportation Code, as  
5 added by Chapter 1381 (S.B. 1616), Acts of the 81<sup>st</sup> Legislature,  
6 Regular Session, 2009, is repealed.

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 20, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense. ), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2741, As Passed 2nd House: a positive impact of \$14,021,808 through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$6,941,489
2015	\$7,080,319
2016	\$7,221,925
2017	\$7,366,363
2018	\$7,513,691

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>State Highway Fund</i> 6	Probable Savings/(Cost) from <i>State Highway Fund</i> 6
2014	\$6,941,489	\$8,840,336	(\$15,781,825)
2015	\$7,080,319	\$9,017,143	(\$16,097,462)
2016	\$7,221,925	\$9,197,486	(\$16,419,411)
2017	\$7,366,363	\$9,381,435	(\$16,747,798)
2018	\$7,513,691	\$9,569,064	(\$17,082,755)

**Fiscal Analysis**

The bill would amend Chapter 623 of the Transportation Code to increase the base permit fee for a

vehicle with excess axle or gross weight from \$90 to \$180. The bill would increase the amount of the base fee that the Comptroller is required to send to the counties from \$50 to \$140. The bill would increase the additional fee for a permit to operate a vehicle with excess axle or gross weight for each category that currently exists. Under current law there are seven categories based on the number of counties designated for travel and fees range from \$175 to \$1,000. The bill would increase the number of categories to nine with fees ranging from \$250 to \$3,000 and increase the amount of the fee allocated to the General Revenue Fund from two of the current categories. Under the provisions of the bill, one-half of each annual fee would be deposited to the General Revenue Fund and one-half would be deposited to the State Highway Fund.

The bill would amend civil and criminal penalties for certain violations of the Transportation Code or Texas Transportation Commission rules relating to oversize or overweight vehicles. The bill specifies criminal offense levels, maximum penalties, and court jurisdiction for specific infractions. The bill would increase penalties under the Transportation Code Chapter 621, relating to vehicle size and weight, and Chapter 623, relating to permitting of certain vehicles. Under the terms of the bill, penalties assessed under both chapters would be divided equally between the assessing governmental entity and the state. The bill specifies certain limited circumstances in which counties or municipalities may keep all of an assessed penalty. The bill creates a new law enforcement fee of \$5,000 accompanying administrative penalties for false information on certain certificates and provides that the fee is for deposit in a special account in the general revenue fund and available for appropriation only to the Department of Public Safety for commercial vehicle enforcement.

The bill would amend the Occupations Code to authorize the board of the Department of Motor Vehicles (DMV) to take certain disciplinary actions after granting an applicant or license holder the opportunity for a hearing rather than requiring a hearing as specified under current law. The bill would amend the Transportation Code to authorize the owner of a trailer with a gross vehicle weight of 4,000 pounds or less to apply for a title. The bill would make the \$65 rebuilder fee applicable to the issuance of rebuilt salvage titles to include trailers and semitrailers. The bill would authorize the board of the DMV by rule to establish a fee for the issuance of a paper title to cover the administrative costs of an electronic titling system. The bill would authorize the DMV to credit a person for any time remaining on a multi-year vehicle registration when the person sells or trades the registered vehicle to a dealer. The bill would establish a third degree felony offense for the manufacture, sale, or possession of a registration insignia or license plate that is deceptively similar to an insignia or license plate issued by the DMV.

The bill would authorize the DMV to issue a special permit during a major disaster declared by the President of the United States to an overweight or oversize vehicle or load that will be used only to deliver relief supplies. The bill would authorize the board of the DMV to adopt rules to establish the fee and requirements for the special permit.

Except as otherwise provided by the bill, the bill would take effect on September 1, 2013.

## **Methodology**

Under current statute, \$50 of the base permit fee for a vehicle with excess axle or gross weight is distributed to counties and \$40 of the fee is deposited to the State Highway Fund (Fund 6). The bill would increase the base fee by \$90 and require the Comptroller to send the additional revenue to the counties. The Comptroller's office used DMV data and growth factors in the 2014-15 Biennial Revenue Estimate to project the revenue gain to the General Revenue Fund and the Fund 6 that would result from the provisions of the bill beginning in fiscal year 2014. This information is reflected in the table above.

Currently, revenue collected from additional permit fees under Section 623.0111 is divided between the General Revenue Fund and Fund 6 based on the number of counties designated on the permit. Section 621.353(c), Transportation Code, requires the Comptroller to send each additional permit fee collected under Section 623.0111 to the counties designated on the application for the permit. Current provisions for the Fiscal Programs - Comptroller of Public Accounts in Article I of the General Appropriations Act for the 2012-13 biennium appropriate an amount from Fund 6 for distribution to counties pursuant to Section 621.353, Transportation Code, in an amount equal to the revenue collected from gross weight and axle weight permit fees for distribution to counties. This analysis assumes the Fund 6 appropriation for this purpose would be continued in fiscal years 2014 through 2018. Therefore, it is assumed increasing the fees in Section 621.353(c), Transportation Code, and the amount of the base fee for distribution to counties would result in a cost to Fund 6 equal to the total amount of additional fee revenue collected from permit fees for distribution to counties in each fiscal year under the provisions of the bill. To the extent that this rider provision were eliminated, the cost to General Revenue would be \$6.9 million in FY 2014 and the cost to Fund 6 would decrease to \$8.8 million in that year. The counties designated on the permits would realize an equal increase in revenue to their County Road and Bridge Funds. Based on the analysis provided by the Comptroller's office and DMV, it is assumed the additional permit fee revenue will grow at a rate of two percent each fiscal year.

The Comptroller of Public Accounts reported that data on which to calculate the amount of state revenue the bill would generate from fines and penalties on oversize/overweight vehicles is not available and that the fiscal impact of these provisions of the bill cannot be estimated. This analysis assumes that the implementation of the fines and penalties prescribed by the bill would increase state revenue, and that depending on the number and type of assessed penalties, the amount of revenue generated may be significant. However, the fiscal implications of the bill cannot be determined due to a lack of data on the violations that will be subject to penalties; and no estimate of revenue is included in the table above.

Because the timing and duration of a declared emergency or disaster is unknown, the revenue from the issuance for the issuance of permits to deliver relief supplies cannot be determined.

The bill would authorize a person to apply for title for a trailer that has a gross vehicle weight of 4,000 pounds or less. Based on the information provided by the DMV, it is assumed the issuance of titles for these trailers would result in an insignificant revenue gain to the State. Because the number of trailers for which a person would choose to obtain a title is unknown, the table above does not include an estimate of the potential revenue gain.

Based on the information provided by the DMV and DPS, it is assumed other provisions of the bill affecting fees would not result in a significant impact to State cash flows and any costs associated with implementing the provisions of the bill could be absorbed within existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

### **Local Government Impact**

The bill would result in a revenue gain to County Road and Bridge Funds from fee increases associated with excess axle and gross weight permits. Fiscal impact to individual counties would vary depending on the number of permits issued, but it is anticipated that counties would generate

approximately \$15.8 million in additional revenue statewide beginning in fiscal year 2014. Similar gains would continue in each year thereafter.

The bill would increase fine revenue to counties and municipalities; however, future revenue generated under the bill cannot be estimated.

According to the Office of Court Administration (OCA) some counties that enter into interlocal contracts to administer another county's motor vehicle title administration could benefit, while the non-administering county could lose in revenue. OCA does not anticipate fiscal impact to be significant.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 304  
Comptroller of Public Accounts, 608 Department of Motor Vehicles

**LBB Staff:** UP, AG, MW, TG

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 13, 2013**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **Committee Report 2nd House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
--

The bill would amend the Occupations Code to authorize the board of the Department of Motor Vehicles (DMV) to take certain disciplinary actions after granting an applicant or license holder the opportunity for a hearing rather than requiring a hearing as specified under current law. The bill would amend the Transportation Code to authorize the owner of a trailer with a gross vehicle weight of 4,000 pounds or less to apply for a title. The bill would make the \$65 rebuilder fee applicable to the issuance of rebuilt salvage titles to include trailers and semitrailers. The bill would authorize the board of the DMV by rule to establish a fee for the issuance of a paper title to cover the administrative costs of an electronic titling system. The bill would authorize the DMV to credit a person for any time remaining on a multi-year vehicle registration when the person sells or trades the registered vehicle to a dealer. The bill would establish a third degree felony offense for the manufacture, sale, or possession of a registration insignia or license plate that is deceptively similar to an insignia or license plate issued by the DMV. The bill would authorize the DMV to issue a special permit during a major disaster declared by the President of the United States to an overweight or oversize vehicle or load that will be used only to deliver relief supplies. The bill would authorize the board of the DMV to adopt rules to establish the fee and requirements for the special permit.

Based on the information and analysis provided by the DMV and the Comptroller's office, it is assumed the provisions of the bill would not result in a significant impact to state revenues. Based on the information provided by the DMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. For this analysis, it is assumed the number of offenders convicted or whose cases would now be dismissed under the provisions of the bill would not result in a significant impact on the programs and workload of state correctional agencies.

**Local Government Impact**

According to the Office of Court Administration (OCA) some counties that enter into interlocal contracts to administer another county's motor vehicle title administration could benefit, while the non-administering county could lose in revenue. OCA does not anticipate fiscal impact to be significant.

The bill would also generate \$5 in revenue for each trailer or semitrailer title transaction in a county. This would be a positive revenue gain to counties but is not anticipated to be significant.

**Source Agencies:** 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles, 212 Office of Court Administration, Texas Judicial Council, 301 Office of the Governor

**LBB Staff:** UP, AG, MW, TG, KKR, LM

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 10, 2013**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles and to certain vehicles purchased outside this state; authorizing a fee; creating an offense.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
---

The bill would amend the Occupations Code to authorize the board of the Department of Motor Vehicles (DMV) to take certain disciplinary actions after granting an applicant or license holder the opportunity for a hearing rather than requiring a hearing as specified under current law. The bill would amend the Transportation Code to authorize the owner of a trailer with a gross vehicle weight of 4,000 pounds or less to apply for a title. The bill would make the \$65 rebuilder fee applicable to the issuance of rebuilt salvage titles to include trailers and semitrailers. The bill would authorize the board of the DMV by rule to establish a fee for the issuance of a paper title to cover the administrative costs of an electronic titling system. The bill would authorize the DMV to credit a person for any time remaining on a multi-year vehicle registration when the person sells or trades the registered vehicle to a dealer. The bill would establish offenses for the manufacture, sale, or possession of a registration insignia or license plate that is deceptively similar to an insignia or license plate issued by the DMV. The bill would authorize the DMV to issue a special permit during a major disaster declared by the President of the United States to an overweight or oversize vehicle or load that will be used only to deliver relief supplies. The bill would authorize the board of the DMV to adopt rules to establish the fee and requirements for the special permit. The bill would require the DMV to establish by rule procedures to issue license plates for golf carts used for operation on public highways. The bill would authorize the DMV to charge a fee for the cost of the license plate. The bill would require the DMV to issue Big Brothers Big Sisters specialty license plates. The bill would require the fees from issuance of the plates, after deductions for administrative costs, to be deposited to the Specialty License Plates General Account in the General Revenue Fund to be used by the Attorney General to provide grants to benefit the Big Brothers Big Sisters of America organizations operating in Texas.

The bill would require the Comptroller to conduct a study on the fiscal effect to the state and to the motorcycle industry of the improper avoidance of the use tax due on certain off-road vehicles purchased in other states. The bill would require the study results and any recommendations to be submitted to the House Ways and Means and the Senate Finance Committees no later than December 1, 2013.

Based on the information and analysis provided by the DMV and the Comptroller's office, it is assumed the provisions of the bill would not result in a significant impact to state revenues and any costs or duties associated with implementing the provisions of the bill could be absorbed

within existing resources. For this analysis, it is assumed the number of offenders convicted or whose cases would now be dismissed under the provisions of the bill would not result in a significant impact on the programs and workload of state correctional agencies.

### **Local Government Impact**

According to the Office of Court Administration (OCA) some counties that enter into interlocal contracts to administer another county's motor vehicle title administration could benefit, while the non-administering county could lose in revenue. OCA does not anticipate fiscal impact to be significant.

The bill would also generate \$5 in revenue for each trailer or semitrailer title transaction in a county. This would be a positive revenue gain to counties but is not anticipated to be significant.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 301 Office of the Governor, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles

**LBB Staff:** UP, AG, MW, TG, KKR, LM

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 16, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **Committee Report 1st House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
--

The bill would amend the Occupations Code to authorize the board of the Department of Motor Vehicles (DMV) to take certain disciplinary actions after granting an applicant or license holder the opportunity for a hearing rather than requiring a hearing as specified under current law. The bill would amend the Transportation Code to authorize the owner of a trailer with a gross vehicle weight of 4,000 pounds or less to apply for a title. The bill would make the \$65 rebuilder fee applicable to the issuance of rebuilt salvage titles to include trailers and semitrailers. The bill would authorize the board of the DMV by rule to establish a fee for the issuance of a paper title to cover the administrative costs of an electronic titling system. The bill would authorize the DMV to credit a person for any time remaining on a multi-year vehicle registration when the person sells or trades the registered vehicle to a dealer. The bill would establish a third degree felony offense for the manufacture, sale, or possession of a registration insignia or license plate that is deceptively similar to an insignia or license plate issued by the DMV. The bill would authorize the DMV to issue a special permit during a major disaster declared by the President of the United States to an overweight or oversize vehicle or load that will be used only to deliver relief supplies. The bill would authorize the board of the DMV to adopt rules to establish the fee and requirements for the special permit.

Based on the information and analysis provided by the DMV and the Comptroller's office, it is assumed the provisions of the bill would not result in a significant impact to state revenues. Based on the information provided by the DMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. For this analysis, it is assumed the number of offenders convicted or whose cases would now be dismissed under the provisions of the bill would not result in a significant impact on the programs and workload of state correctional agencies.

**Local Government Impact**

According to the Office of Court Administration (OCA) some counties that enter into interlocal contracts to administer another county's motor vehicle title administration could benefit, while the non-administering county could lose in revenue. OCA does not anticipate fiscal impact to be significant.

The bill would also generate \$5 in revenue for each trailer or semitrailer title transaction in a county. This would be a positive revenue gain to counties but is not anticipated to be significant.

**Source Agencies:** 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles, 212 Office of Court Administration, Texas Judicial Council, 301 Office of the Governor

**LBB Staff:** UP, AG, MW, TG, KKR, LM

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 1, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
--

The bill would amend the Occupations Code to authorize the board of the Department of Motor Vehicles (DMV) to take certain disciplinary actions after granting an applicant or license holder the opportunity for a hearing rather than requiring a hearing as specified under current law. The bill would amend the Transportation Code to authorize the owner of a trailer with a gross vehicle weight of 4,000 pounds or less to apply for a title. The bill would make the \$65 rebuilder fee applicable to the issuance of rebuilt salvage titles to include trailers and semitrailers. The bill would authorize the board of the DMV by rule to establish a fee for the issuance of a paper title to cover the administrative costs of an electronic titling system. The bill would authorize the DMV to credit a person for any time remaining on a multi-year vehicle registration when the person sells or trades the registered vehicle to a dealer. The bill would establish a third degree felony offense for the manufacture, sale, or possession of a registration insignia or license plate that is deceptively similar to an insignia or license plate issued by the DMV. The bill would authorize the DMV to issue a special permit during a major disaster declared by the President of the United States to an overweight or oversize vehicle or load that will be used only to deliver relief supplies. The bill would authorize the board of the DMV to adopt rules to establish the fee and requirements for the special permit.

Based on the information and analysis provided by the DMV and the Comptroller's office, it is assumed the provisions of the bill would not result in a significant impact to state revenues. Based on the information provided by the DMV, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. For this analysis, it is assumed the number of offenders convicted or whose cases would now be dismissed under the provisions of the bill would not result in a significant impact on the programs and workload of state correctional agencies.

**Local Government Impact**

According to the Office of Court Administration (OCA) some counties that enter into interlocal contracts to administer another county's motor vehicle title administration could benefit, while the non-administering county could lose in revenue. OCA does not anticipate fiscal impact to be significant.

The bill would also generate \$5 in revenue for each trailer or semitrailer title transaction in a county. This would be a positive revenue gain to counties but is not anticipated to be significant.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 301 Office of the Governor, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation, 608 Department of Motor Vehicles

**LBB Staff:** UP, AG, MW, TG, KKR, LM

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

**CRIMINAL JUSTICE IMPACT STATEMENT**

**83RD LEGISLATIVE REGULAR SESSION**

**May 14, 2013**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **Committee Report 2nd House, Substituted**

The bill would amend the various codes as they relate to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles. The provisions of the bill that create new felony criminal offenses are the subject of this analysis. Under the provisions of the bill, certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would be punishable as a felony of the third degree. The change in law for certain activities related to Texas Department of Motor Vehicles license plates would take effect immediately if the bill receives a vote of two-thirds of all the members elected to each house. Otherwise, the change in law for certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would take effect September 1, 2013.

A felony of the third degree is punishable by confinement in prison for a term from 2 to 10 years and, in addition to confinement, an optional fine not to exceed \$10,000.

Expanding the list of behaviors for which a criminal penalty is applied is expected to result in increased demands upon the correctional resources of counties or of the state due to longer terms of probation, or longer terms of confinement in county jail, state jail, or prison. For this analysis, it is assumed the number of offenders convicted under the provisions of the bill would not result in a significant impact on the programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

**Source Agencies:**

**LBB Staff:** UP, GG, LM

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

**CRIMINAL JUSTICE IMPACT STATEMENT**

**83RD LEGISLATIVE REGULAR SESSION**

**May 10, 2013**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles and to certain vehicles purchased outside this state; authorizing a fee; creating an offense.), **As Engrossed**

The bill would amend the various codes as they relate to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles. The provisions of the bill that create new felony criminal offenses are the subject of this analysis. Under the provisions of the bill, certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would be punishable as a felony of the third degree.

A felony of the third degree is punishable by confinement in prison for a term from 2 to 10 years and, in addition to confinement, an optional fine not to exceed \$10,000.

Creating a new offense is expected to result in increased demands upon the correctional resources of counties or of the state due to longer terms of probation, or longer terms of confinement in county jail, state jail, or prison. For this analysis, it is assumed the number of offenders convicted under the provisions of the bill would not result in a significant impact on the programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

**Source Agencies:**

**LBB Staff:** UP, LM, GG

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

**CRIMINAL JUSTICE IMPACT STATEMENT**

**83RD LEGISLATIVE REGULAR SESSION**

**April 16, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **Committee Report 1st House, Substituted**

The bill would amend the various codes as they relate to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles. The provisions of the bill that create new felony criminal offenses are the subject of this analysis. Under the provisions of the bill, certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would be punishable as a felony of the third degree. The change in law for certain activities related to Texas Department of Motor Vehicles license plates would take effect immediately if the bill receives a vote of two-thirds of all the members elected to each house. Otherwise, the change in law for certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would take effect September 1, 2013.

A felony of the third degree is punishable by confinement in prison for a term from 2 to 10 years and, in addition to confinement, an optional fine not to exceed \$10,000.

Expanding the list of behaviors for which a criminal penalty is applied is expected to result in increased demands upon the correctional resources of counties or of the state due to longer terms of probation, or longer terms of confinement in county jail, state jail, or prison. For this analysis, it is assumed the number of offenders convicted under the provisions of the bill would not result in a significant impact on the programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

**Source Agencies:**

**LBB Staff:** UP, GG, LM

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

**CRIMINAL JUSTICE IMPACT STATEMENT**

**83RD LEGISLATIVE REGULAR SESSION**

**March 25, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2741** by Phillips (Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.), **As Introduced**

The bill would amend the various codes as they relate to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles. The provisions of the bill that create new felony criminal offenses are the subject of this analysis. Under the provisions of the bill, certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would be punishable as a felony of the third degree. The change in law for certain activities related to Texas Department of Motor Vehicles license plates would take effect immediately if the bill receives a vote of two-thirds of all the members elected to each house. Otherwise, the change in law for certain activities related to Texas Department of Motor Vehicles registration insignia or license plates would take effect September 1, 2013.

A felony of the third degree is punishable by confinement in prison for a term from 2 to 10 years and, in addition to confinement, an optional fine not to exceed \$10,000.

Expanding the list of behaviors for which a criminal penalty is applied is expected to result in increased demands upon the correctional resources of counties or of the state due to longer terms of probation, or longer terms of confinement in county jail, state jail, or prison. For this analysis, it is assumed the number of offenders convicted under the provisions of the bill would not result in a significant impact on the programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

**Source Agencies:**

**LBB Staff:** UP, GG, LM