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H.B. No. 1711

Substitute the following for H.B. No. 1711:

By: Landgraf

C.S.H.B. No. 1711

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of digital license plates; authorizing a fee.

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

SECTION 1. Chapter 504, Transportation Code, is amended by adding Subchapter B-1 to read as follows:

SUBCHAPTER B-1. DIGITAL LICENSE PLATES

Sec. 504.151. DEFINITIONS. In this subchapter:

(1) "Digital license plate" means an electronic display that is designed to:

(A) display the information required to be included on a physical license plate; and

(B) be placed on the rear of a vehicle registered under Chapter 502 in lieu of a physical license plate issued under this chapter.

(2) "Digital license plate provider" means a person engaged in the business of providing digital license plate hardware and services to vehicle owners, including the sale or lease of and issuance of digital license plates.

Sec. 504.152. APPLICABILITY OF OTHER LAW. Except as otherwise provided by this subchapter or a rule adopted under this subchapter, a digital license plate issued under this subchapter is subject to the laws of this state applicable to a physical license plate.

1 Sec. 504.153. RULES. The board shall adopt rules as
2 necessary to implement and administer this subchapter.

3 Sec. 504.154. DIGITAL LICENSE PLATES AUTHORIZED. (a) The
4 board by rule shall allow a vehicle registered under Chapter 502 to
5 be equipped with a digital license plate that is placed on the rear
6 of the vehicle in lieu of a physical license plate issued under this
7 chapter. The rule must require the owner of a vehicle issued a
8 digital license plate to obtain a physical license plate to be
9 placed on the front of the vehicle unless the vehicle is of a class
10 of vehicles that is not required to display two license plates, as
11 provided by other law.

12 (b) The department may contract with digital license plate
13 providers for the issuance of digital license plates, including any
14 services related to the issuance of digital license plates.

15 (c) Notwithstanding any other law, a rule adopted under this
16 subchapter may:

17 (1) authorize the display of the vehicle's
18 registration insignia on a digital license plate issued for the
19 vehicle in lieu of attaching the registration insignia to the
20 inside of the vehicle's windshield as required by Section 502.059;

21 (2) establish a fee in an amount necessary to cover any
22 administrative costs incurred that relate to the issuance of a
23 digital license plate and exceed the administrative costs incurred
24 for the issuance of a physical license plate; or

25 (3) prohibit a digital license plate provider from
26 contracting with the department under Subchapter J.

27 Sec. 504.155. DIGITAL LICENSE PLATES REQUIREMENTS AND

1 PERMISSIVE FUNCTIONALITY. (a) The board by rule shall set the
2 specifications and requirements for digital license plates,
3 including requirements for the placement of digital license plates.
4 The design of and information displayed on a digital license plate
5 must be approved by the department.

6 (b) A digital license plate issued under this subchapter
7 must:

8 (1) meet the specifications and requirements adopted
9 under Subsection (a);

10 (2) include the information required to be included on
11 a physical license plate and legibly display that information at
12 all times and in all light conditions, provided that the license
13 plate may display the information in a smaller typeface when the
14 vehicle is parked; and

15 (3) have wireless connectivity capability.

16 (c) The department shall consult with law enforcement
17 agencies when considering whether to approve the design of a
18 digital license plate.

19 (d) A rule adopted under this subchapter may:

20 (1) authorize the use of a digital license plate for
21 electronic toll collection or to display a parking permit; or

22 (2) establish procedures for displaying on a digital
23 license plate:

24 (A) an emergency alert or other public safety
25 alert issued by a governmental entity, including an alert
26 authorized under Subchapter L, M, or P, Chapter 411, Government
27 Code;

1 (B) vehicle manufacturer safety recall notices;

2 (C) static logo displays, including unique
3 displays for fleet vehicles; or

4 (D) advertising approved by the department.

5 Sec. 504.156. DIGITAL LICENSE PLATE PROVIDER POWERS AND
6 DUTIES. A digital license plate provider with whom the department
7 contracts under Section 504.154:

8 (1) shall maintain an inventory of the digital license
9 plates issued by the provider in this state;

10 (2) shall make available a digital version of each
11 specialty license plate authorized by this chapter, other than
12 personalized license plates authorized for marketing and sale under
13 Subchapter J, provided that:

14 (A) each issuance of a specialty license plate
15 with restricted distribution, including a license plate authorized
16 under Subchapter C, D, E, or F, must be approved by the department;
17 and

18 (B) the provider shall remit to the department in
19 the manner prescribed by the department all money:

20 (i) payable to the department; or

21 (ii) required to be used or deposited in the
22 manner prescribed by the law establishing the license plate;

23 (3) may contract with the private vendor under
24 Subchapter J to make available a digital version of a personalized
25 license plate authorized for marketing and sale under that
26 subchapter, provided that the contract shall conform with any
27 applicable requirements of Subchapter J and the terms of the

1 private vendor's contract with the department;

2 (4) shall, if a digital license plate displays a
3 registration insignia as authorized by a rule adopted under Section
4 504.154(c)(1), promptly update the display of the registration
5 insignia to reflect the current registration period for the vehicle
6 and, on request of the department, suspend the display of the
7 registration insignia or indicate on the license plate that the
8 registration insignia for the vehicle is expired;

9 (5) may provide any service related to the issuance of
10 a digital license plate that is authorized by board rule, including
11 the sale, lease, and installation of and customer service for a
12 digital license plate; and

13 (6) may charge a fee, payable in installments, for the
14 issuance of a digital license plate or any additional services
15 provided by the provider for that license plate.

16 Sec. 504.157. DEFENSE TO PROSECUTION OF CERTAIN OFFENSES.
17 It is a defense to prosecution of an offense involving the operation
18 of a motor vehicle and relating to the placement of a license plate
19 or the display of a registration insignia that the vehicle was
20 operated in compliance with rules issued under this subchapter
21 governing the placement of a digital license plate or the display of
22 a registration insignia on a digital license plate, as applicable.

23 SECTION 2. Not later than December 31, 2019, the board of
24 the Texas Department of Motor Vehicles shall adopt the rules
25 required by Subchapter B-1, Chapter 504, Transportation Code, as
26 added by this Act, and any other rules necessary to implement and
27 administer that subchapter.

1 SECTION 3. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2019.