

1-1 By: Buckingham, Birdwell S.B. No. 604
 1-2 (In the Senate - Filed February 7, 2019; February 21, 2019,
 1-3 read first time and referred to Committee on Transportation;
 1-4 March 27, 2019, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; March 27, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16			X	

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the continuation and functions of the Texas Department
 1-20 of Motor Vehicles and to the operations of certain other entities
 1-21 performing functions associated with the department.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 ARTICLE 1. GENERAL PROVISIONS

1-24 SECTION 1.01. Section 1001.005, Transportation Code, is
 1-25 amended to read as follows:

1-26 Sec. 1001.005. SUNSET PROVISION. The department is subject
 1-27 to Chapter 325, Government Code (Texas Sunset Act). Unless
 1-28 continued in existence as provided by that chapter, the department
 1-29 is abolished September 1, 2031 [2019].

1-30 SECTION 1.02. Section 1001.030, Transportation Code, is
 1-31 amended to read as follows:

1-32 Sec. 1001.030. ~~BOARD MEMBER TRAINING [ON DEPARTMENT AND~~
 1-33 ~~CERTAIN LAWS RELATING TO DEPARTMENT]~~. (a) ~~A [To be eligible to~~
 1-34 ~~take office as a member of the board, a] person who is appointed to~~
 1-35 ~~and qualifies for office as a member of the board may not vote,~~
 1-36 ~~deliberate, or be counted as a member in attendance at a meeting of~~
 1-37 ~~the board until the person completes [must complete at least one~~
 1-38 ~~course of] a training program that complies with this section.~~

1-39 (b) The training program must provide the person with
 1-40 information ~~[to the person]~~ regarding:

1-41 (1) the law governing department operations ~~[this~~
 1-42 ~~subchapter];~~

1-43 (2) the board's programs, functions, and rules and the
 1-44 budget of ~~[operated by] the department;~~

1-45 (3) the scope of and limitations on the rulemaking
 1-46 authority ~~[role and functions] of the board~~ ~~[department];~~

1-47 (4) the types of board rules, interpretations, and
 1-48 enforcement actions that may implicate federal antitrust law by
 1-49 limiting competition or impacting prices charged by persons engaged
 1-50 in a profession or business the board regulates, including rules,
 1-51 interpretations, and enforcement actions that:

1-52 (A) regulate the scope of practice of persons in
 1-53 a profession or business the board regulates;

1-54 (B) restrict advertising by persons in a
 1-55 profession or business the board regulates;

1-56 (C) affect the price of goods or services
 1-57 provided by persons in a profession or business the board
 1-58 regulates; or

1-59 (D) restrict participation in a profession or
 1-60 business the board regulates ~~[rules of the department with an~~

2-1 ~~emphasis on the rules that relate to disciplinary and investigatory~~
2-2 ~~authority];~~
2-3 (5) ~~[the current budget for the department,~~
2-4 ~~[~~(6)~~] the results of the most recent formal audit of~~
2-5 ~~the department;~~
2-6 (6) ~~[~~(7)~~] the requirements of [the]:~~
2-7 (A) laws relating to open meetings, public
2-8 information, [law, Chapter 551, Government Code,
2-9 ~~[~~(B)~~ open records law, Chapter 552, Government~~
2-10 ~~Code; and~~
2-11 ~~[~~(C)~~] administrative procedure [law], and~~
2-12 disclosure of conflicts of interest; and
2-13 (B) other laws applicable to members of the board
2-14 in performing their duties [Chapter 2001, Government Code,
2-15 ~~[~~(8)~~ the requirements of the conflict of interest laws~~
2-16 ~~and other laws relating to public officials]; and~~
2-17 (7) ~~[~~(9)~~] any applicable ethics policies adopted by~~
2-18 ~~the department [board] or the Texas Ethics Commission.~~
2-19 (c) A person appointed to the board is entitled to
2-20 reimbursement, as provided by the General Appropriations Act, for
2-21 the travel expenses incurred in attending the training program,
2-22 regardless of whether the attendance at the program occurs before
2-23 or after [as provided by the General Appropriations Act and as if]
2-24 the person qualifies for office [were a member of the board].
2-25 (d) The executive director shall create a training manual
2-26 that includes the information required by Subsection (b). The
2-27 executive director shall distribute a copy of the training manual
2-28 annually to each member of the board. On receipt of the training
2-29 manual, each member of the board shall sign and submit to the
2-30 executive director a statement acknowledging receipt of the
2-31 training manual.
2-32 SECTION 1.03. Section 1001.041(a), Transportation Code, is
2-33 amended to read as follows:
2-34 (a) Subject to the General Appropriations Act or other law,
2-35 the executive director shall appoint deputies, assistants, and
2-36 other personnel, including a general counsel, as necessary to carry
2-37 out the powers and duties of the department under this code, other
2-38 applicable vehicle laws of this state, and other laws granting
2-39 jurisdiction or applicable to the department.
2-40 SECTION 1.04. Section 1001.0411, Transportation Code, is
2-41 amended by adding Subsection (c) to read as follows:
2-42 (c) In accordance with Section 1001.041(a), the executive
2-43 director shall hire and oversee a general counsel to advise the
2-44 department.
2-45 SECTION 1.05. Section 1001.042, Transportation Code, is
2-46 amended to read as follows:
2-47 Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board
2-48 shall develop and implement policies that clearly separate [define]
2-49 the policy-making responsibilities of the board and the management
2-50 [respective] responsibilities of the executive director, including
2-51 the appointment of department staff, and the staff of the
2-52 department.
2-53 SECTION 1.06. Chapter 1003, Transportation Code, is amended
2-54 by adding Sections 1003.0055 and 1003.008 to read as follows:
2-55 Sec. 1003.0055. COMPLAINTS. (a) The department shall
2-56 maintain a system to promptly and efficiently act on complaints
2-57 filed with the department. The department shall maintain
2-58 information about parties to and the subject matter of the
2-59 complaint and a summary of the results of the review or
2-60 investigation of the complaint and the disposition of the
2-61 complaint.
2-62 (b) The department shall make information available
2-63 describing its procedures for complaint investigation and
2-64 resolution.
2-65 (c) The department shall periodically notify the parties to
2-66 the complaint of the status of the complaint until final
2-67 disposition.
2-68 Sec. 1003.008. NEGOTIATED RULEMAKING AND ALTERNATIVE
2-69 DISPUTE RESOLUTION POLICY. (a) The board shall develop and

3-1 implement a policy to encourage the use of:

3-2 (1) negotiated rulemaking procedures under Chapter
3-3 2008, Government Code, for the adoption of department rules; and

3-4 (2) appropriate alternative dispute resolution
3-5 procedures under Chapter 2009, Government Code, to assist in the
3-6 resolution of internal and external disputes under the department's
3-7 jurisdiction.

3-8 (b) The department's procedures relating to alternative
3-9 dispute resolution must conform, to the extent possible, to any
3-10 model guidelines issued by the State Office of Administrative
3-11 Hearings for the use of alternative dispute resolution by state
3-12 agencies.

3-13 (c) The department shall:

3-14 (1) coordinate the implementation of the policy
3-15 developed under Subsection (a);

3-16 (2) provide training as needed to implement the
3-17 procedures for negotiated rulemaking or alternative dispute
3-18 resolution; and

3-19 (3) collect data concerning the effectiveness of those
3-20 procedures.

3-21 SECTION 1.07. The following provisions are repealed:

3-22 (1) Section 2110.002(c), Government Code; and

3-23 (2) Section 1001.031(a-1), Transportation Code.

3-24 SECTION 1.08. (a) Except as provided by Subsection (b) of
3-25 this section, Section 1001.030, Transportation Code, as amended by
3-26 this Act, applies to a member of the board of the Texas Department
3-27 of Motor Vehicles who is appointed before, on, or after the
3-28 effective date of this Act.

3-29 (b) A member of the board of the Texas Department of Motor
3-30 Vehicles who, before the effective date of this Act, completed the
3-31 training program required by Section 1001.030, Transportation
3-32 Code, as that law existed before the effective date of this Act, is
3-33 required to complete additional training only on subjects added by
3-34 this Act to the training program as required by Section 1001.030,
3-35 Transportation Code, as amended by this Act. A board member
3-36 described by this subsection may not vote, deliberate, or be
3-37 counted as a member in attendance at a meeting of the board held on
3-38 or after December 1, 2019, until the member completes the
3-39 additional training.

3-40 ARTICLE 2. LICENSING

3-41 SECTION 2.01. Section 2301.203(c), Occupations Code, is
3-42 amended to read as follows:

3-43 (c) Except as otherwise provided by this subsection, the
3-44 [The] board may not file a complaint alleging a violation of this
3-45 chapter or a board rule relating to advertising until the board has
3-46 notified the license holder involved of the alleged violation and
3-47 given the license holder an opportunity to cure the violation
3-48 without further proceedings or liability. If the board has
3-49 previously given a license holder notice and an opportunity to cure
3-50 any violation of this chapter or a board rule relating to
3-51 advertising as provided by this subsection, the board may file a
3-52 complaint alleging a subsequent violation of this chapter or a
3-53 board rule relating to advertising after the board has notified the
3-54 license holder involved of the alleged violation.

3-55 SECTION 2.02. Section 2301.251(a), Occupations Code, is
3-56 amended to read as follows:

3-57 (a) Unless a person holds a license issued under this
3-58 chapter authorizing the activity, the person may not:

3-59 (1) engage in business as, serve in the capacity of, or
3-60 act as a dealer, manufacturer, distributor, converter,
3-61 ~~representative,~~ vehicle lessor, or vehicle lease facilitator in
3-62 this state; or

3-63 (2) perform or offer to perform repair services on a
3-64 motor vehicle under a franchise and a motor vehicle manufacturer's
3-65 warranty, regardless of whether the person sells or offers to sell
3-66 motor vehicles at the same location.

3-67 SECTION 2.03. Section 2301.258, Occupations Code, is
3-68 amended to read as follows:

3-69 Sec. 2301.258. GENERAL REQUIREMENTS FOR APPLICATION FOR

4-1 MANUFACTURER'S, DISTRIBUTOR'S, OR CONVERTER'S [~~OR~~
 4-2 ~~REPRESENTATIVE'S~~] LICENSE. An application for a manufacturer's,
 4-3 distributor's, or converter's [~~or representative's~~] license must
 4-4 be on a form prescribed by the department. The application must
 4-5 include information the department determines necessary to fully
 4-6 determine the qualifications of an applicant, including financial
 4-7 resources, business integrity and experience, facilities and
 4-8 personnel for serving franchised dealers, and other information the
 4-9 department determines pertinent to safeguard the public interest
 4-10 and welfare.

4-11 SECTION 2.04. Section 2301.264(a), Occupations Code, is
 4-12 amended to read as follows:

4-13 (a) The annual fees for a license issued under this chapter
 4-14 are:

4-15 (1) \$900 for a manufacturer or distributor, plus \$20
 4-16 for each dealer franchised by the manufacturer or distributor;

4-17 (2) for a franchised dealer:

4-18 (A) \$175, if the dealer sold fewer than 201 new
 4-19 motor vehicles during the preceding calendar year;

4-20 (B) \$275, if the dealer sold more than 200 but
 4-21 fewer than 401 new motor vehicles during the preceding calendar
 4-22 year;

4-23 (C) \$400, if the dealer sold more than 400 but
 4-24 fewer than 801 new motor vehicles during the preceding calendar
 4-25 year;

4-26 (D) \$500, if the dealer sold more than 800 but
 4-27 fewer than 1,201 new motor vehicles during the preceding calendar
 4-28 year;

4-29 (E) \$625, if the dealer sold more than 1,200 but
 4-30 fewer than 1,601 new motor vehicles during the preceding calendar
 4-31 year;

4-32 (F) \$750, if the dealer sold more than 1,600 new
 4-33 motor vehicles during the preceding calendar year; and

4-34 (G) \$100 for each location separate from the
 4-35 dealership at which the dealer does not offer motor vehicles for
 4-36 sale but performs warranty service work on vehicles the dealer is
 4-37 franchised and licensed to sell;

4-38 (3) [~~\$100 for a representative,~~

4-39 [~~4~~] \$375 for a converter;

4-40 (4) [~~5~~] for a vehicle lessor:

4-41 (A) \$175, if the lessor leased 200 or fewer motor
 4-42 vehicles during the preceding calendar year;

4-43 (B) \$275, if the lessor leased more than 200 but
 4-44 fewer than 401 motor vehicles during the preceding calendar year;

4-45 (C) \$400, if the lessor leased more than 400 but
 4-46 fewer than 801 motor vehicles during the preceding calendar year;

4-47 (D) \$500, if the lessor leased more than 800 but
 4-48 fewer than 1,201 motor vehicles during the preceding calendar year;

4-49 (E) \$625, if the lessor leased more than 1,200
 4-50 but fewer than 1,601 motor vehicles during the preceding calendar
 4-51 year; and

4-52 (F) \$750, if the lessor leased more than 1,600
 4-53 motor vehicles during the preceding calendar year; and

4-54 (5) [~~6~~] \$375 for a vehicle lease facilitator.

4-55 SECTION 2.05. Section 2301.304, Occupations Code, is
 4-56 amended to read as follows:

4-57 Sec. 2301.304. PROCEDURE FOR RENEWAL OF CERTAIN LICENSES.
 4-58 The holder of a manufacturer's, distributor's, or converter's [~~or~~
 4-59 ~~representative's~~] license may apply for a renewal of the license by
 4-60 complying with the application process specified by this chapter
 4-61 and board rule.

4-62 SECTION 2.06. Section 2301.358(c), Occupations Code, is
 4-63 amended to read as follows:

4-64 (c) This section does not prohibit the sale of a towable
 4-65 recreational vehicle, motor home, ambulance, fire-fighting
 4-66 vehicle, or tow truck at a show or exhibition if [+
 4-67 [~~1~~] the show or exhibition is approved by the
 4-68 department, and
 4-69 [~~2~~] the sale is not otherwise prohibited by law.

5-1 SECTION 2.07. Section 2301.709, Occupations Code, is
 5-2 amended by adding Subsection (d) to read as follows:

5-3 (d) The board shall adopt rules and policies that establish
 5-4 standards for reviewing a case under this subchapter. The rules and
 5-5 policies must:

5-6 (1) specify the role of division personnel in managing
 5-7 contested cases before the board or a person delegated power from
 5-8 the board under Section 2301.154, including advising on procedural
 5-9 matters;

5-10 (2) specify appropriate conduct and discussion by the
 5-11 board or a person delegated power from the board under Section
 5-12 2301.154 regarding proposals for decision issued by administrative
 5-13 law judges;

5-14 (3) specify clear expectations limiting arguments and
 5-15 discussion under Subsection (b) to evidence in the record of the
 5-16 contested case hearing held by the administrative law judge;

5-17 (4) address ex parte communications; and

5-18 (5) distinguish between using industry expertise and
 5-19 representing or advocating for an industry when reviewing a case
 5-20 under this subchapter.

5-21 SECTION 2.08. Subchapter Q, Chapter 2301, Occupations Code,
 5-22 is amended by adding Section 2301.807 to read as follows:

5-23 Sec. 2301.807. REFUND. If, after a proceeding under this
 5-24 chapter and board rules, the board determines that a person is
 5-25 violating or has violated this chapter or a rule adopted or order
 5-26 issued under this chapter, the board may order the person to pay a
 5-27 refund to the buyer or lessee of the motor vehicle that is the
 5-28 subject of the proceeding.

5-29 SECTION 2.09. Section 2302.101, Occupations Code, is
 5-30 amended to read as follows:

5-31 Sec. 2302.101. [~~LICENSE REQUIRED FOR~~] SALVAGE VEHICLE
 5-32 DEALER LICENSE. (a) Unless a person holds a salvage vehicle
 5-33 dealer license issued under this chapter, the person may not:

5-34 (1) act as a salvage vehicle dealer or rebuilder; or

5-35 (2) store or display a motor vehicle as an agent or
 5-36 escrow agent of an insurance company.

5-37 (b) A person who holds a salvage vehicle dealer license
 5-38 issued under this chapter may perform any of the activities of a
 5-39 salvage vehicle dealer, including:

5-40 (1) buying or selling salvage motor vehicles and
 5-41 nonrepairable motor vehicles that have not been the subject of a
 5-42 retail sale;

5-43 (2) buying or selling salvage motor vehicles and
 5-44 nonrepairable motor vehicles that have been the subject of a retail
 5-45 sale;

5-46 (3) engaging in the business of selling nonrepairable
 5-47 motor vehicles or salvage motor vehicles at auction, including
 5-48 wholesale auction;

5-49 (4) offering or negotiating to sell or buy salvage
 5-50 motor vehicles or nonrepairable motor vehicles owned by a license
 5-51 holder and to be purchased or sold by another license holder;

5-52 (5) acting as the agent or representative of a license
 5-53 holder in performing an act described by Subdivision (4); and

5-54 (6) acquiring and repairing, rebuilding, or
 5-55 reconstructing for operation on a public highway more than five
 5-56 salvage motor vehicles in a calendar year.

5-57 SECTION 2.10. Section 2302.103, Occupations Code, is
 5-58 amended to read as follows:

5-59 Sec. 2302.103. APPLICATION FOR SALVAGE VEHICLE DEALER
 5-60 LICENSE. [~~(a)~~] To apply for a salvage vehicle dealer license, a
 5-61 person must submit to the department an application on a form
 5-62 prescribed by the department and the application fee.

5-63 [~~(b)~~] An applicant may apply for a salvage vehicle dealer
 5-64 license with an endorsement in one or more of the following
 5-65 classifications:

5-66 [~~(1) new automobile dealer;~~

5-67 [~~(2) used automobile dealer;~~

5-68 [~~(3) salvage pool operator;~~

5-69 [~~(4) salvage vehicle broker; or~~

6-1 ~~[(5) salvage vehicle rebuilder.]~~

6-2 SECTION 2.11. Section 2302.151, Occupations Code, is
6-3 amended by amending Subsection (a) and adding Subsection (c) to
6-4 read as follows:

6-5 (a) A license issued under this chapter is valid for the
6-6 period prescribed by the board ~~[expires on the first anniversary of~~
6-7 ~~the date of issuance].~~

6-8 (c) If the board prescribes the term of a license under this
6-9 chapter for a period other than one year, the board shall prorate
6-10 the applicable fee required under this chapter as necessary to
6-11 reflect the term of the license.

6-12 SECTION 2.12. Section 2302.351(b), Occupations Code, is
6-13 amended to read as follows:

6-14 (b) If a salvage vehicle dealer or~~[or]~~ an employee of the
6-15 dealer acting in the course of employment~~[, or a salvage vehicle~~
6-16 ~~agent operating under the dealer's license]~~ is convicted of more
6-17 than one offense under Section 2302.353(a), the district attorney
6-18 for a county in which the dealer's salvage business is located may
6-19 bring an action in that county to enjoin the dealer's business
6-20 operations for a period of at least one year.

6-21 SECTION 2.13. Subchapter H, Chapter 2302, Occupations Code,
6-22 is amended by adding Section 2302.355 to read as follows:

6-23 Sec. 2302.355. CEASE AND DESIST ORDER. If it appears to the
6-24 board that a person who is not licensed under this chapter is
6-25 violating this chapter or a rule or order adopted under this
6-26 chapter, the board, after notice and opportunity for a hearing, may
6-27 issue a cease and desist order prohibiting the person from engaging
6-28 in the activity.

6-29 SECTION 2.14. Subchapter F, Chapter 643, Transportation
6-30 Code, is amended by adding Section 643.257 to read as follows:

6-31 Sec. 643.257. REFUND BY MOTOR CARRIERS TRANSPORTING
6-32 HOUSEHOLD GOODS. The department may order a motor carrier that
6-33 violates this chapter or a rule or order adopted under this chapter
6-34 to pay a refund to a consumer who paid the motor carrier to
6-35 transport household goods.

6-36 SECTION 2.15. Sections 2301.264(c), 2301.358(a),
6-37 2302.001(6), 2302.102, and 2302.107, Occupations Code, are
6-38 repealed.

6-39 SECTION 2.16. (a) The changes in law made by this Act to
6-40 Chapters 2301 and 2302, Occupations Code, do not affect the
6-41 validity of a proceeding pending before a court or other
6-42 governmental entity on the effective date of this Act.

6-43 (b) An offense or other violation of law committed before
6-44 the effective date of this Act is governed by the law in effect when
6-45 the offense or violation was committed, and the former law is
6-46 continued in effect for that purpose. For purposes of this
6-47 subsection, an offense or violation was committed before the
6-48 effective date of this Act if any element of the offense or
6-49 violation occurred before that date.

6-50 (c) On the effective date of this Act, a representative's
6-51 license issued under Chapter 2301, Occupations Code, as that law
6-52 existed immediately before the effective date of this Act, expires.

6-53 (d) On the effective date of this Act, a salvage vehicle
6-54 agent license issued under former Section 2302.107, Occupations
6-55 Code, expires.

6-56 (e) Section 2302.151(a), Occupations Code, as amended by
6-57 this Act, applies only to a license issued or renewed on or after
6-58 September 1, 2019. A license issued or renewed before that date is
6-59 governed by the law in effect immediately before the effective date
6-60 of this Act, and the former law is continued in effect for that
6-61 purpose.

6-62 ARTICLE 3. REGISTRATION AND TITLING

6-63 SECTION 3.01. Section 520.004, Transportation Code, is
6-64 amended to read as follows:

6-65 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department
6-66 has jurisdiction over the registration and titling of, and the
6-67 issuance of license plates to, motor vehicles in compliance with
6-68 the applicable statutes. The department by rule:

6-69 (1) shall provide services that are reasonable,

7-1 adequate, and efficient;

7-2 (2) shall establish standards for uniformity and
7-3 service quality for counties and dealers licensed under Section
7-4 520.005; ~~and~~

7-5 (3) may conduct public service education campaigns
7-6 related to the department's functions; and

7-7 (4) shall establish a risk-based system of monitoring
7-8 and preventing fraudulent activity related to vehicle registration
7-9 and titling in order to efficiently allocate resources and
7-10 personnel.

7-11 SECTION 3.02. Section 520.005, Transportation Code, is
7-12 amended by adding Subsection (e) to read as follows:

7-13 (e) Each county assessor-collector shall make available to
7-14 motor vehicle dealers the electronic system designed by the
7-15 department that allows a motor vehicle dealer to submit a title and
7-16 registration application online in the name of the purchaser of a
7-17 motor vehicle.

7-18 SECTION 3.03. Subchapter A, Chapter 520, Transportation
7-19 Code, is amended by adding Sections 520.0075, 520.010, and 520.011
7-20 to read as follows:

7-21 Sec. 520.0075. CONTRACTING STANDARDS FOR TAX
7-22 ASSESSOR-COLLECTOR. (a) In this section, "deputy" means a person
7-23 deputized to perform registration and titling duties under Section
7-24 520.0071.

7-25 (b) Notwithstanding Section 262.023, Local Government Code,
7-26 a county tax assessor-collector who awards a contract to a deputy
7-27 for the performance of registration and titling services must
7-28 comply with standard state contracting practices as if the county
7-29 tax assessor-collector were a state agency, including requirements
7-30 related to:

7-31 (1) purchase methods and competitive bidding under
7-32 Sections 2155.062 and 2155.063, Government Code;

7-33 (2) determining the best value for the county under
7-34 Sections 2155.074, 2155.075, and 2155.0755, Government Code;

7-35 (3) contracting standards and oversight under Chapter
7-36 2261, Government Code; and

7-37 (4) contract management under Chapter 2262,
7-38 Government Code.

7-39 (c) A contract described by Subsection (b) must:

7-40 (1) specify an expiration date and renewal or
7-41 extension terms for the contract; and

7-42 (2) include performance criteria and measures
7-43 necessary to evaluate the performance of the deputy under the
7-44 contract.

7-45 (d) A county tax assessor-collector shall monitor and
7-46 evaluate the performance of a deputy awarded a contract described
7-47 by this section and use that information in determining whether to
7-48 renew or extend the contract or award a new contract.

7-49 Sec. 520.010. AUDIT AND INVESTIGATION RELATED TO
7-50 REGISTRATION AND TITLING SERVICES. (a) The department may:

7-51 (1) audit or perform a compliance review of a person
7-52 performing registration or titling services;

7-53 (2) investigate any provision of state functions
7-54 related to registration or titling; and

7-55 (3) access any records needed to conduct the audit,
7-56 compliance review, or investigation.

7-57 (b) A county tax assessor-collector may:

7-58 (1) audit, perform a compliance review of, or
7-59 investigate a person providing registration or titling services in
7-60 the county in which the assessor-collector is located; and

7-61 (2) access any records needed to conduct the audit,
7-62 compliance review, or investigation.

7-63 (c) The department's authority under Subsection (a) is not
7-64 limited by a similar audit, compliance review, or investigation
7-65 conducted by a county tax assessor-collector under Subsection (b).

7-66 Sec. 520.011. AUDIT OF COUNTY TAX ASSESSOR-COLLECTOR. The
7-67 comptroller, in coordination with the department, may include, as
7-68 part of the comptroller's regular audits of state revenue
7-69 collection by county tax assessor-collector offices, the review of

8-1 processes relating to a county's collection and remittance of
 8-2 revenue included in an audit.

8-3 SECTION 3.04. Chapter 520, Transportation Code, is amended
 8-4 by adding Subchapter C to read as follows:

8-5 SUBCHAPTER C. AUTOMATED REGISTRATION AND TITLING SYSTEM

8-6 Sec. 520.021. RULES AND POLICIES. The department may adopt
 8-7 rules and policies for the maintenance and use of the department's
 8-8 automated registration and titling system.

8-9 Sec. 520.022. ACCESS TO SYSTEM. The department has the sole
 8-10 authority to determine access to the department's automated
 8-11 registration and titling system.

8-12 Sec. 520.023. TRAINING. (a) The department shall
 8-13 implement a training program providing information on the:

8-14 (1) department's automated registration and titling
 8-15 system; and

8-16 (2) identification of fraudulent activity related to
 8-17 vehicle registration and titling.

8-18 (b) The department shall require a person performing
 8-19 registration or titling services to complete the training under
 8-20 Subsection (a).

8-21 SECTION 3.05. Each county tax assessor-collector who has,
 8-22 before the effective date of this Act, entered into a contract
 8-23 described by Section 520.0075, Transportation Code, as added by
 8-24 this Act, shall rebid the contract using the contracting standards
 8-25 provided under that section not later than December 1, 2019.

8-26 SECTION 3.06. Not later than December 1, 2019, the Texas
 8-27 Department of Motor Vehicles shall adopt rules to implement the
 8-28 training program required by Section 520.023, Transportation Code,
 8-29 as added by this Act.

8-30 SECTION 3.07. Not later than March 1, 2020, the Texas
 8-31 Department of Motor Vehicles shall, in coordination with county tax
 8-32 assessor-collectors and in accordance with Subchapter C, Chapter
 8-33 520, Transportation Code, as added by this Act, develop, adopt, and
 8-34 implement rules that create clear criteria for the suspension or
 8-35 denial of access to the department's automated registration and
 8-36 titling system if a county tax assessor-collector suspects abuse,
 8-37 fraud, or waste relating to the system by an employee of the
 8-38 assessor-collector's or a deputy as defined by Section 520.0075(a),
 8-39 Transportation Code, as added by this Act.

8-40 SECTION 3.08. Not later than September 1, 2020, each county
 8-41 tax assessor-collector shall make available the electronic system
 8-42 to motor vehicle dealers as required by Section 520.005(e),
 8-43 Transportation Code, as added by this Act.

8-44 ARTICLE 4. MOTOR VEHICLE CRIME PREVENTION AUTHORITY

8-45 SECTION 4.01. Subtitle M, Title 7, Transportation Code, is
 8-46 amended by adding Chapter 1006, and a heading is added to that
 8-47 chapter to read as follows:

8-48 CHAPTER 1006. MOTOR VEHICLE CRIME PREVENTION AUTHORITY

8-49 SECTION 4.02. Chapter 1006, Transportation Code, as added
 8-50 by this Act, is amended by adding Subchapter A, and a heading is
 8-51 added to that subchapter to read as follows:

8-52 SUBCHAPTER A. GENERAL PROVISIONS

8-53 SECTION 4.03. Section 1, Article 4413(37), Revised
 8-54 Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B.
 8-55 3225), Acts of the 80th Legislature, Regular Session, 2007, is
 8-56 transferred to Subchapter A, Chapter 1006, Transportation Code, as
 8-57 added by this Act, redesignated as Section 1006.001, Transportation
 8-58 Code, reenacted, and amended to read as follows:

8-59 Sec. 1006.001 [1]. DEFINITIONS. In this chapter [article]:

8-60 (1) "Authority" means the Motor Vehicle Crime
 8-61 [Automobile Burglary and Theft] Prevention Authority.

8-62 (2) "Economic motor vehicle theft" means motor vehicle
 8-63 burglary or theft committed for financial gain.

8-64 (3) "Insurer" means any insurance company writing any
 8-65 form of motor vehicle insurance in this state, including an
 8-66 interinsurance or reciprocal exchange, mutual company, mutual
 8-67 association, or Lloyd's plan ["Department" means the Texas
 8-68 Department of Motor Vehicles].

8-69 (4) ["Director" means the executive director of the

9-1 ~~Texas Department of Transportation.~~

9-2 [~~5~~] "Motor vehicle" means a self-propelled vehicle
9-3 or a vehicle, trailer, or semitrailer designed for use with a
9-4 self-propelled vehicle. The term does not include a vehicle that
9-5 runs exclusively on fixed rails or tracks or a piece of equipment
9-6 operated solely on private property.

9-7 (5) "Motor vehicle burglary or theft" includes
9-8 economic motor vehicle theft.

9-9 SECTION 4.04. Section 2, Article 4413(37), Revised
9-10 Statutes, is transferred to Subchapter A, Chapter 1006,
9-11 Transportation Code, as added by this Act, redesignated as Section
9-12 1006.002, Transportation Code, and amended to read as follows:

9-13 Sec. 1006.002 [~~2~~]. ESTABLISHMENT. The Motor Vehicle Crime
9-14 [~~Automobile Burglary and Theft~~] Prevention Authority is
9-15 established in the department [~~Texas Department of Motor Vehicles~~].
9-16 The authority is not an advisory body to the department [~~Texas~~
9-17 ~~Department of Motor Vehicles~~].

9-18 SECTION 4.05. Chapter 1006, Transportation Code, as added
9-19 by this Act, is amended by adding Subchapter B, and a heading is
9-20 added to that subchapter to read as follows:

9-21 SUBCHAPTER B. COMPOSITION AND ADMINISTRATION

9-22 SECTION 4.06. Sections 3(a), (b), (c), (d), (i), (j), and
9-23 (k), Article 4413(37), Revised Statutes, are transferred to
9-24 Subchapter B, Chapter 1006, Transportation Code, as added by this
9-25 Act, redesignated as Sections 1006.051 and 1006.052,
9-26 Transportation Code, and amended to read as follows:

9-27 Sec. 1006.051. AUTHORITY MEMBERSHIP. (a) The authority is
9-28 composed of seven members.

9-29 (b) The governor, with the advice and consent of the senate,
9-30 shall appoint the following six members:

9-31 (1) two representatives of motor vehicle insurance
9-32 consumers;

9-33 (2) two representatives of insurance companies
9-34 writing motor vehicle insurance in this state; and

9-35 (3) two representatives of law enforcement.

9-36 (c) The public safety director of the Department of Public
9-37 Safety or the director's designee serves ex officio as the seventh
9-38 member of the authority.

9-39 (d) Appointments to the authority shall be made without
9-40 regard to race, color, disability, sex, religion, age, or national
9-41 origin of the appointees.

9-42 Sec. 1006.052. ELIGIBILITY RESTRICTIONS. (a) [~~(i)~~] A
9-43 person is not eligible for appointment as a representative of motor
9-44 vehicle insurance consumers under Section 1006.051(b)(1)
9-45 [~~Subsection (b)(1) of this section~~] if the person or the person's
9-46 spouse:

9-47 (1) is registered, certified, or licensed by an
9-48 occupational regulatory agency in the field of motor vehicle
9-49 insurance or law enforcement;

9-50 (2) is an officer, employee, or paid consultant of a
9-51 Texas trade association in the field of motor vehicle insurance or
9-52 law enforcement;

9-53 (3) is employed by or participates in the management
9-54 of a business entity or other organization receiving funds from the
9-55 authority;

9-56 (4) owns or controls, directly or indirectly, more
9-57 than a 10 percent [~~10 percent~~] interest in a business entity or
9-58 other organization receiving funds from the authority; or

9-59 (5) uses or receives a substantial amount of tangible
9-60 goods, services, or funds from the authority, other than
9-61 reimbursement authorized by law for service on the board of the
9-62 authority.

9-63 (b) [~~(j)~~] For purposes of Subsection (a)(2) [~~(i)(2) of this~~
9-64 ~~section~~], "[a] Texas trade association" means [~~is~~] a nonprofit,
9-65 cooperative, and voluntarily joined association of business or
9-66 professional competitors in this state designed to assist the
9-67 association's [~~its~~] members and the members' [~~its~~] industry or
9-68 profession in dealing with mutual business or professional problems
9-69 and in promoting the members' [~~their~~] common interest.

10-1 (c) [~~(k)~~] A person may not serve as a member of the
 10-2 authority [~~or act as the general counsel to the authority~~] if the
 10-3 person is required to register as a lobbyist under Chapter 305,
 10-4 Government Code, because of the person's activities for
 10-5 compensation on behalf of a profession related to [~~law enforcement~~
 10-6 ~~or~~] motor vehicle insurance or law enforcement.

10-7 SECTION 4.07. Section 3(e), Article 4413(37), Revised
 10-8 Statutes, is transferred to Subchapter B, Chapter 1006,
 10-9 Transportation Code, as added by this Act, redesignated as Section
 10-10 1006.053, Transportation Code, and amended to read as follows:

10-11 Sec. 1006.053. TERM OF OFFICE; VACANCY. (a) [~~(e)~~] The six
 10-12 members of the authority appointed by the governor serve staggered
 10-13 six-year terms, with the terms of two members expiring February 1 of
 10-14 each odd-numbered year.

10-15 (b) If there is a vacancy during a term, the governor shall
 10-16 appoint a replacement who meets the requirements of the vacant
 10-17 office to fill the unexpired term.

10-18 SECTION 4.08. Section 5(a), Article 4413(37), Revised
 10-19 Statutes, is transferred to Subchapter B, Chapter 1006,
 10-20 Transportation Code, as added by this Act, redesignated as Section
 10-21 1006.054, Transportation Code, and amended to read as follows:

10-22 Sec. 1006.054. PRESIDING OFFICER. [~~(a)~~] The governor
 10-23 shall designate a member of the authority as the presiding officer
 10-24 of the authority to serve in that capacity at the pleasure of the
 10-25 governor.

10-26 SECTION 4.09. Sections 3(f), (g), (h), and (l), Article
 10-27 4413(37), Revised Statutes, are transferred to Subchapter B,
 10-28 Chapter 1006, Transportation Code, as added by this Act,
 10-29 redesignated as Sections 1006.055 and 1006.056, Transportation
 10-30 Code, and amended to read as follows:

10-31 Sec. 1006.055. GROUNDS FOR REMOVAL. (a) [~~(f)~~] It is a
 10-32 ground for removal from the authority if a member:

10-33 (1) does not have at the time of appointment the
 10-34 qualifications required by Section 1006.051(b) [~~Subsection (b)~~] or
 10-35 is disqualified under Section 1006.052 [~~Subsection (i) or (k) of~~
 10-36 ~~this section~~];

10-37 (2) does not maintain during service on the authority
 10-38 the qualifications required by Section 1006.051(b) [~~Subsection~~
 10-39 ~~(b)~~] or becomes disqualified under Section 1006.052 [~~Subsection (i)~~
 10-40 ~~or (k) of this section~~];

10-41 (3) cannot, because of illness or disability,
 10-42 discharge the member's duties for a substantial part of the member's
 10-43 term [~~for which the member is appointed~~]; or

10-44 (4) is absent from more than half of the regularly
 10-45 scheduled authority meetings that the member is eligible to attend
 10-46 during a calendar year.

10-47 (b) [~~(g)~~] The validity of an action of the authority is not
 10-48 affected by the fact that it is taken when a ground for removal of a
 10-49 member of the authority exists.

10-50 (c) [~~(h)~~] If the executive director has knowledge that a
 10-51 potential ground for removal exists, the executive director shall
 10-52 notify the presiding officer of the authority of the potential
 10-53 ground. The presiding officer shall then notify the governor and
 10-54 the attorney general that a potential ground for removal exists. If
 10-55 the potential ground for removal involves the presiding officer,
 10-56 the executive director shall notify the next highest officer of the
 10-57 authority, who shall notify the governor and the attorney general
 10-58 that a potential ground for removal exists.

10-59 Sec. 1006.056. INFORMATION ON QUALIFICATIONS AND CONDUCT.
 10-60 [~~(1)~~] The executive director or the executive director's designee
 10-61 shall provide to members of the authority, as often as necessary,
 10-62 information regarding the members' [~~their~~] qualifications for
 10-63 office under this chapter [~~article~~] and their responsibilities
 10-64 under applicable laws relating to standards of conduct for state
 10-65 officers.

10-66 SECTION 4.10. Sections 5(c), (d), and (e), Article
 10-67 4413(37), Revised Statutes, are transferred to Subchapter B,
 10-68 Chapter 1006, Transportation Code, as added by this Act,
 10-69 redesignated as Section 1006.057, Transportation Code, and amended

11-1 to read as follows:

11-2 Sec. 1006.057. MEMBER TRAINING. (a) A ~~[(c) To be eligible~~
 11-3 ~~to take office as a member of the authority, a]~~ person who is
 11-4 appointed to and qualifies for office as a member of the authority
 11-5 may not vote, deliberate, or be counted as a member in attendance at
 11-6 a meeting of the authority until the person completes ~~[must~~
 11-7 ~~complete at least one course of]~~ a training program that complies
 11-8 with this section ~~[Subsection (d)]~~.

11-9 (b) ~~[(d)]~~ The training program ~~[required by Subsection (c)]~~
 11-10 must provide the person with information ~~[to the person]~~ regarding:

11-11 (1) the law governing authority operations ~~[enabling~~
 11-12 ~~legislation that created the authority and its policymaking body to~~
 11-13 ~~which the member is appointed to serve];~~

11-14 (2) the programs, functions, rules, and budget of
 11-15 ~~[operated by] the authority;~~

11-16 (3) the scope of and limitations on the rulemaking
 11-17 authority ~~[role and functions] of the authority;~~

11-18 (4) ~~[the rules of the authority and the department,~~
 11-19 ~~[(5) the current budget for the authority,~~

11-20 ~~[(6)] the results of the most recent formal audit of~~
 11-21 the authority;

11-22 (5) ~~[(7)]~~ the requirements of ~~[the]:~~

11-23 (A) laws relating to open meetings, public
 11-24 information, ~~[law, Chapter 551, Government Code,~~

11-25 ~~[(B) open records law, Chapter 552, Government~~
 11-26 ~~Code; and~~

11-27 ~~[(C)] administrative procedure~~ ~~[law], and~~
 11-28 disclosure of conflicts of interest; and

11-29 (B) other laws applicable to members of the
 11-30 authority in performing their duties ~~[Chapter 2001, Government~~

11-31 ~~Code;~~

11-32 ~~[(8) the requirements of the conflict-of-interest~~
 11-33 ~~laws and other laws relating to public officials]; and~~

11-34 (6) ~~[(9)]~~ any applicable ethics policies adopted by
 11-35 the department or the Texas Ethics Commission.

11-36 (c) ~~[(e)]~~ A person appointed to the authority is entitled to
 11-37 reimbursement, as provided by the General Appropriations Act, for
 11-38 the travel expenses incurred in attending the training program,
 11-39 regardless of whether the attendance at the program occurs before
 11-40 or after ~~[required by Subsection (c) as provided by the General~~
 11-41 ~~Appropriations Act and as if] the person qualifies for office~~ ~~[were~~
 11-42 ~~a member of the authority].~~

11-43 (d) The executive director shall create a training manual
 11-44 that includes the information required by Subsection (b). The
 11-45 executive director shall distribute a copy of the training manual
 11-46 annually to each member of the authority. On receipt of the
 11-47 training manual, each member of the authority shall sign and submit
 11-48 to the executive director a statement acknowledging receipt of the
 11-49 training manual.

11-50 SECTION 4.11. Section 4, Article 4413(37), Revised
 11-51 Statutes, is transferred to Subchapter B, Chapter 1006,
 11-52 Transportation Code, as added by this Act, redesignated as Section
 11-53 1006.058, Transportation Code, and amended to read as follows:

11-54 Sec. 1006.058 [4]. REIMBURSEMENT FOR EXPENSES. A member of
 11-55 the authority is not entitled to compensation for service on the
 11-56 authority but is entitled to reimbursement for expenses incurred in
 11-57 performing the member's duties at the rate provided by ~~[in]~~
 11-58 the General Appropriations Act.

11-59 SECTION 4.12. Sections 6(e), (f), and (g), Article
 11-60 4413(37), Revised Statutes, are transferred to Subchapter B,
 11-61 Chapter 1006, Transportation Code, as added by this Act,
 11-62 redesignated as Sections 1006.059 and 1006.060, Transportation
 11-63 Code, and amended to read as follows:

11-64 Sec. 1006.059. PERSONNEL AND SERVICES. (a) ~~[(e)]~~ The
 11-65 authority may be provided various services only by or through the
 11-66 department as needed to carry out the authority's ~~[its]~~ purposes,
 11-67 powers, and duties. These services may include ~~[, but are not~~
 11-68 ~~limited to,]~~ legal services not provided by the attorney general,
 11-69 fiscal services, administrative services, and personnel services.

12-1 [~~Except as provided by this section, the authority may enter into~~
 12-2 ~~contracts in its own name and on its own behalf with recipients of~~
 12-3 ~~grants for purposes of this article.]~~

12-4 (b) [~~(f)~~] The department shall provide personnel and
 12-5 services to the authority as agreed by the authority and the
 12-6 department.

12-7 Sec. 1006.060. DIVISION OF RESPONSIBILITIES. [~~(g)~~] The
 12-8 authority shall, in coordination with the department, develop and
 12-9 implement policies that clearly separate the policymaking
 12-10 responsibilities of the authority and the management
 12-11 responsibilities of the department.

12-12 SECTION 4.13. Section 5(b), Article 4413(37), Revised
 12-13 Statutes, is transferred to Subchapter B, Chapter 1006,
 12-14 Transportation Code, as added by this Act, redesignated as Section
 12-15 1006.061, Transportation Code, and amended to read as follows:

12-16 Sec. 1006.061. MEETINGS. [~~(b)~~] The authority shall meet
 12-17 at the call of the presiding officer [~~chairman~~] or at the call of
 12-18 four members.

12-19 SECTION 4.14. Section 6(h), Article 4413(37), Revised
 12-20 Statutes, is transferred to Subchapter B, Chapter 1006,
 12-21 Transportation Code, as added by this Act, redesignated as Section
 12-22 1006.062, Transportation Code, and amended to read as follows:

12-23 Sec. 1006.062. PUBLIC TESTIMONY. [~~(h)~~] The authority
 12-24 shall develop and implement policies that provide the public with a
 12-25 reasonable opportunity to appear before the authority and to speak
 12-26 on any issue under the [~~its~~] jurisdiction of the authority.

12-27 SECTION 4.15. Subchapter B, Chapter 1006, Transportation
 12-28 Code, as added by this Act, is amended by adding Section 1006.063 to
 12-29 read as follows:

12-30 Sec. 1006.063. LOBBYIST PROHIBITION: GENERAL COUNSEL. A
 12-31 person may not act as the general counsel to the authority if the
 12-32 person is required to register as a lobbyist under Chapter 305,
 12-33 Government Code, because of the person's activities for
 12-34 compensation on behalf of a profession related to motor vehicle
 12-35 insurance or law enforcement.

12-36 SECTION 4.16. Chapter 1006, Transportation Code, as added
 12-37 by this Act, is amended by adding Subchapter C, and a heading is
 12-38 added to that subchapter to read as follows:

SUBCHAPTER C. POWERS AND DUTIES

12-40 SECTION 4.17. Sections 6(a), (b), (c), and (d), Article
 12-41 4413(37), Revised Statutes, are transferred to Subchapter C,
 12-42 Chapter 1006, Transportation Code, as added by this Act,
 12-43 redesignated as Section 1006.101, Transportation Code, and amended
 12-44 to read as follows:

12-45 Sec. 1006.101. GENERAL POWERS AND DUTIES. (a) The
 12-46 authority shall adopt rules to implement the authority's [~~its~~]
 12-47 powers and duties.

12-48 (b) The authority may solicit and accept gifts and grants.

12-49 (c) The authority may only use [~~only~~] staff of the
 12-50 department and may delegate authority to the staff as needed.

12-51 (d) Not later than April 1 of each year, the authority shall
 12-52 report on the authority's [~~its~~] activities to the lieutenant
 12-53 governor and the speaker of the house of representatives.

12-54 SECTION 4.18. Section 7, Article 4413(37), Revised
 12-55 Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B.
 12-56 3225), Acts of the 80th Legislature, Regular Session, 2007, is
 12-57 transferred to Subchapter C, Chapter 1006, Transportation Code, as
 12-58 added by this Act, redesignated as Section 1006.102, Transportation
 12-59 Code, reenacted, and amended to read as follows:

12-60 Sec. 1006.102 [7]. PLAN OF OPERATION. (a) The authority
 12-61 shall develop and implement a plan of operation. The plan of
 12-62 operation must be updated biennially and filed with the legislature
 12-63 not later than [~~on or before~~] December 1 of each even-numbered year.

12-64 (b) The plan of operation must include:

12-65 (1) an assessment of the scope of the problems of motor
 12-66 vehicle burglary or theft and fraud-related motor vehicle crime
 12-67 [~~economic motor vehicle theft~~], including particular areas of the
 12-68 state where the problems are greatest;

12-69 (2) an analysis of various methods of combating the

13-1 problems of motor vehicle burglary or theft and fraud-related motor
 13-2 vehicle crime [~~economic motor vehicle theft~~];

13-3 (3) a plan for providing financial support to combat
 13-4 motor vehicle burglary or theft and fraud-related motor vehicle
 13-5 crime [~~economic motor vehicle theft~~]; and

13-6 (4) an estimate of the funds required to implement the
 13-7 plan of operation.

13-8 SECTION 4.19. Section 12, Article 4413(37), Revised
 13-9 Statutes, is transferred to Subchapter C, Chapter 1006,
 13-10 Transportation Code, as added by this Act, redesignated as Section
 13-11 1006.103, Transportation Code, and amended to read as follows:

13-12 Sec. 1006.103 [~~12~~]. ADVISORY COMMITTEES. (a) The
 13-13 authority may establish advisory committees to advise the authority
 13-14 [~~it~~] on any matter under the jurisdiction of the authority.

13-15 (b) Section 2110.008, Government Code, does not apply to an
 13-16 advisory committee established under this section if the advisory
 13-17 committee is:

13-18 (1) established for a specific and immediate need; and

13-19 (2) dissolved before the first anniversary of the date
 13-20 the committee is created.

13-21 (c) A member of an advisory committee may not be compensated
 13-22 by the authority for committee service but is entitled to
 13-23 reimbursement for actual and necessary expenses incurred in the
 13-24 performance of committee service.

13-25 SECTION 4.20. Chapter 1006, Transportation Code, as added
 13-26 by this Act, is amended by adding Subchapter D, and a heading is
 13-27 added to that subchapter to read as follows:

13-28 SUBCHAPTER D. FINANCIAL PROVISIONS

13-29 SECTION 4.21. Sections 6(j) and (k), Article 4413(37),
 13-30 Revised Statutes, are transferred to Subchapter D, Chapter 1006,
 13-31 Transportation Code, as added by this Act, redesignated as Section
 13-32 1006.151, Transportation Code, and amended to read as follows:

13-33 Sec. 1006.151. GRANTS. (a) Subject to the requirements of
 13-34 this section, the authority may enter into contracts in the
 13-35 authority's own name and on the authority's own behalf with
 13-36 recipients of grants for purposes of this chapter.

13-37 (b) [~~(j)~~] The authority shall:

13-38 (1) develop and periodically update [~~use~~] standard
 13-39 performance measures for each category of grants provided by the
 13-40 authority for use in [~~order to~~] assessing [~~assess~~] grantee success
 13-41 in achieving the purposes of this chapter [~~article~~]; and

13-42 (2) ensure that grants are used to help increase:

13-43 (A) the recovery rate of stolen motor vehicles;

13-44 (B) the clearance rate of:

13-45 (i) motor vehicle burglaries and thefts;

13-46 and

13-47 (ii) fraud-related motor vehicle crimes;

13-48 and

13-49 (C) the number of persons arrested for motor
 13-50 vehicle burglary and theft and fraud-related motor vehicle crime.

13-51 (c) [~~(k)~~] The authority shall allocate grant funds
 13-52 primarily based on the number of motor vehicles stolen in, or the
 13-53 motor vehicle burglary or theft rate across, and the number of
 13-54 fraud-related motor vehicle crimes committed in the state rather
 13-55 than based on geographic distribution.

13-56 (d) The authority shall, in consultation with the
 13-57 department, annually update the performance measures developed
 13-58 under Subsection (b).

13-59 SECTION 4.22. Sections 6A and 10, Article 4413(37), Revised
 13-60 Statutes, are transferred to Subchapter D, Chapter 1006,
 13-61 Transportation Code, as added by this Act, redesignated as Sections
 13-62 1006.152 and 1006.153, Transportation Code, and amended to read as
 13-63 follows:

13-64 Sec. 1006.152 [~~6A~~]. REFUNDS [~~POWER TO REFUND~~]. (a) The
 13-65 authority may make determinations regarding the sufficiency of
 13-66 payments made by an ["insurer" [~~as defined under Section 10 of~~
 13-67 ~~this article~~]] of fees collected under [~~pursuant to~~] Section
 13-68 1006.153 [~~10 of this article~~].

13-69 (b) Pursuant to a [~~such~~] determination made under

14-1 Subsection (a), the authority may:

14-2 (1) notify the comptroller that payments made by an
14-3 insurer are sufficient; and

14-4 (2) request the comptroller to draw warrants on the
14-5 funds available to the authority for the purpose of refunding money
14-6 [~~monies~~] to an insurer.

14-7 (c) The authority shall make the determination under
14-8 [~~Subsection (b) of~~] this section as follows:

14-9 (1) the two members of the authority who are
14-10 representatives of insurance companies writing motor vehicle
14-11 insurance in this state shall recuse themselves; and

14-12 (2) the remaining five members of the authority shall
14-13 make the determination by a simple majority vote.

14-14 (d) Determinations made under this section shall be
14-15 performed in accordance with procedures set forth in rules adopted
14-16 by the authority. The question of eligibility for a refund is not a
14-17 contested case under [~~within the meaning of the Administrative~~
14-18 ~~Procedure Act (~~Chapter 2001, Government Code~~)~~].

14-19 (e) A [~~Except as provided by Subsection (f), a~~] request for
14-20 a refund made under this section must be made not later than four
14-21 years after the date the payment was made to the authority under
14-22 Section 1006.153 [~~10 of this article~~].

14-23 Sec. 1006.153 [~~10~~]. FEE IMPOSED ON INSURER. (a) In this
14-24 section, [~~+~~

14-25 [~~(1) "Insurer" means any insurance company writing any~~
14-26 ~~form of motor vehicle insurance in this state, including an~~
14-27 ~~interinsurance or reciprocal exchange, mutual company, mutual~~
14-28 ~~association, or Lloyd's plan.~~

14-29 [~~(2)~~] "motor [~~Motor~~] vehicle years of insurance" means
14-30 the total number of years or portions of years during which a motor
14-31 vehicle is covered by insurance.

14-32 (b) An insurer shall pay to the authority a fee equal to \$2
14-33 multiplied by the total number of motor vehicle years of insurance
14-34 for insurance policies delivered, issued for delivery, or renewed
14-35 by the insurer. The fee shall be paid not later than:

14-36 (1) March 1 of each year for a policy delivered,
14-37 issued, [~~delivered~~] or renewed from July 1 through December 31 of
14-38 the previous calendar year; and

14-39 (2) August 1 of each year for a policy delivered,
14-40 issued, [~~delivered~~] or renewed from January 1 through June 30 of
14-41 that year.

14-42 (c) The fee imposed by this section is in addition to any
14-43 other fee or tax imposed by law on an insurer.

14-44 (d) The authority shall notify the Texas Department [~~State~~
14-45 ~~Board~~] of Insurance of any insurer that fails to pay the fee
14-46 required by this section, and the Texas Department of Insurance
14-47 [~~board~~] may for that reason revoke the insurer's certificate of
14-48 authority.

14-49 (e) Fifty percent of each fee collected under Subsection (b)
14-50 may be appropriated only to the authority for the purposes of this
14-51 chapter [~~article~~].

14-52 SECTION 4.23. Section 8, Article 4413(37), Revised
14-53 Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B.
14-54 3225), Acts of the 80th Legislature, Regular Session, 2007, is
14-55 transferred to Subchapter D, Chapter 1006, Transportation Code, as
14-56 added by this Act, redesignated as Section 1006.154, Transportation
14-57 Code, reenacted, and amended to read as follows:

14-58 Sec. 1006.154 [~~8~~]. USE OF APPROPRIATED FUNDS. (a) Money
14-59 appropriated to the department for authority purposes shall be used
14-60 by the authority to pay the department for administrative costs and
14-61 to achieve the purposes of this chapter [~~article~~], including:

14-62 (1) [~~establishing and funding the motor vehicle~~
14-63 ~~registration program required by Section 9 of this article,~~

14-64 [~~(2)~~] providing financial support to law enforcement
14-65 agencies for economic motor vehicle theft and fraud-related motor
14-66 vehicle crime enforcement teams;

14-67 (2) [~~(3)~~] providing financial support to law
14-68 enforcement agencies, local prosecutors, judicial agencies, and
14-69 neighborhood, community, business, and nonprofit organizations for

15-1 programs designed to reduce the incidence of economic motor vehicle
15-2 theft and fraud-related motor vehicle crime;

15-3 (3) ~~[(4)]~~ conducting educational programs designed to
15-4 inform motor vehicle owners of methods of preventing motor vehicle
15-5 burglary or theft and fraud-related motor vehicle crime;

15-6 (4) ~~[(5)]~~ providing equipment, for experimental
15-7 purposes, to assist motor vehicle owners in preventing motor
15-8 vehicle burglary or theft; and

15-9 (5) ~~[(6)]~~ establishing a uniform program to prevent
15-10 stolen motor vehicles from entering Mexico.

15-11 (b) In any fiscal year, the amount of the administrative
15-12 expenses of the authority, including salaries, travel and marketing
15-13 expenses, and other overhead expenses may not exceed eight percent
15-14 of the total expenditures of the authority.

15-15 (c) The cost of personnel and services provided to the
15-16 authority by the department and by the attorney general may be paid
15-17 only from appropriations made for authority purposes.
15-18 Appropriations made for authority purposes may not be used for any
15-19 other purpose.

15-20 SECTION 4.24. Section 6(i), Article 4413(37), Revised
15-21 Statutes, is transferred to Subchapter D, Chapter 1006,
15-22 Transportation Code, as added by this Act, redesignated as Section
15-23 1006.155, Transportation Code, and amended to read as follows:

15-24 Sec. 1006.155. ANNUAL FINANCIAL REPORT. ~~[(i)]~~ The
15-25 authority shall prepare annually a complete and detailed written
15-26 report accounting for all funds received and disbursed by the
15-27 authority during the preceding fiscal year. The annual report must
15-28 meet the reporting requirements applicable to financial reporting
15-29 provided by ~~[in]~~ the General Appropriations Act.

15-30 SECTION 4.25. Section 981.073(b), Insurance Code, is
15-31 amended to read as follows:

15-32 (b) A domestic surplus lines insurer is not subject to:

- 15-33 (1) Section 38.003;
- 15-34 (2) Chapter 462;
- 15-35 (3) Chapter 463;
- 15-36 (4) Chapter 501;
- 15-37 (5) Section 981.051;
- 15-38 (6) Section 981.101(b);
- 15-39 (7) Chapter 2007;
- 15-40 (8) Chapter 2301;
- 15-41 (9) Chapter 2251; and
- 15-42 (10) Chapter 1006, Transportation Code ~~[Article~~
15-43 ~~4413(37), Revised Statutes]~~.

15-44 SECTION 4.26. Section 201.805(a), Transportation Code, is
15-45 amended to read as follows:

15-46 (a) The department shall annually publish in appropriate
15-47 media and on the department's Internet website in a format that
15-48 allows the information to be read into a commercially available
15-49 electronic database a statistical comparison of department
15-50 districts and the following information, calculated on a per capita
15-51 basis considering the most recent census data and listed for each
15-52 county and for the state for each fiscal year:

- 15-53 (1) the number of square miles;
- 15-54 (2) the number of vehicles registered;
- 15-55 (3) the population;
- 15-56 (4) daily vehicle miles;
- 15-57 (5) the number of centerline miles and lane miles;
- 15-58 (6) construction, maintenance, and contracted routine
15-59 and preventive maintenance expenditures;
- 15-60 (7) combined construction, maintenance, and
15-61 contracted routine and preventive maintenance expenditures;
- 15-62 (8) the number of district and division office
15-63 construction and maintenance employees;
- 15-64 (9) information regarding grant programs, including:
15-65 (A) Motor Vehicle Crime ~~[Automobile Theft]~~
15-66 Prevention Authority grants;
- 15-67 (B) Routine Airport Maintenance Program grants;
- 15-68 (C) Public Transportation Grant Program grants;
- 15-69 (D) Medical Transportation Program grants; and

16-1 (E) aviation grants or aviation capital
16-2 improvement grants;
16-3 (10) approved State Infrastructure Bank loans;
16-4 (11) Texas Traffic Safety Program grants and
16-5 expenditures;
16-6 (12) the dollar amount of any pass-through toll
16-7 agreements;
16-8 (13) the percentage of highway construction projects
16-9 completed on time;
16-10 (14) the percentage of highway construction projects
16-11 that cost:
16-12 (A) more than the contract amount; and
16-13 (B) less than the contract amount; and
16-14 (15) a description of real property acquired by the
16-15 department through the exercise of eminent domain, including the
16-16 acreage of the property and the location of the property.

16-17 SECTION 4.27. Section 1001.151(c), Transportation Code, is
16-18 amended to read as follows:
16-19 (c) Money appropriated to the department for Motor Vehicle
16-20 Crime [~~Automobile Burglary and Theft~~] Prevention Authority
16-21 purposes and other revenue collected or received by the Motor
16-22 Vehicle Crime [~~Automobile Burglary and Theft~~] Prevention Authority
16-23 may not be deposited into the fund.

16-24 SECTION 4.28. The following provisions are repealed:
16-25 (1) Sections 9 and 11, Article 4413(37), Revised
16-26 Statutes;
16-27 (2) the headings to Sections 3, 5, and 6, Article
16-28 4413(37), Revised Statutes; and
16-29 (3) the heading to Article 4413(37), Revised Statutes.

16-30 SECTION 4.29. (a) Except as provided by Subsection (b) of
16-31 this section, Section 1006.057, Transportation Code, as
16-32 transferred, redesignated, and amended by this Act, applies to a
16-33 person who is appointed before, on, or after the effective date of
16-34 this Act to the Automobile Burglary and Theft Prevention Authority
16-35 or Motor Vehicle Crime Prevention Authority, as applicable.

16-36 (b) A member of the Motor Vehicle Crime Prevention Authority
16-37 who, before the effective date of this Act, completed the training
16-38 program required by Sections 5(c), (d), and (e), Article 4413(37),
16-39 Revised Statutes, as that law existed before the effective date of
16-40 this Act, is required to complete additional training only on
16-41 subjects added by this Act to the training program as required by
16-42 Section 1006.057, Transportation Code, as transferred,
16-43 redesignated, and amended by this Act. A board member described by
16-44 this subsection may not vote, deliberate, or be counted as a member
16-45 in attendance at a meeting of the board held on or after December 1,
16-46 2019, until the member completes the additional training.

16-47 SECTION 4.30. (a) On the effective date of this Act:
16-48 (1) the name of the Automobile Burglary and Theft
16-49 Prevention Authority is changed to the Motor Vehicle Crime
16-50 Prevention Authority, and all powers, duties, rights, and
16-51 obligations of the Automobile Burglary and Theft Prevention
16-52 Authority are the powers, duties, rights, and obligations of the
16-53 Motor Vehicle Crime Prevention Authority;
16-54 (2) a member of the Automobile Burglary and Theft
16-55 Prevention Authority is a member of the Motor Vehicle Crime
16-56 Prevention Authority; and
16-57 (3) any appropriation for the Automobile Burglary and
16-58 Theft Prevention Authority is an appropriation for the Motor
16-59 Vehicle Crime Prevention Authority.

16-60 (b) On and after the effective date of this Act, a reference
16-61 in law to the Automobile Burglary and Theft Prevention Authority is
16-62 a reference to the Motor Vehicle Crime Prevention Authority.

16-63 (c) The Motor Vehicle Crime Prevention Authority is the
16-64 authority formerly known as the Automobile Burglary and Theft
16-65 Prevention Authority in all respects. All personnel, equipment,
16-66 data, documents, facilities, contracts, items, other property,
16-67 rules, decisions, and proceedings of or involving the Automobile
16-68 Burglary and Theft Prevention Authority are unaffected by the
16-69 change in the name of the authority.

ARTICLE 5. EFFECTIVE DATE

17-1

17-2

SECTION 5.01. This Act takes effect September 1, 2019.

17-3

* * * * *