

House Bill 1711
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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.

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

Sec. 504.154. DIGITAL LICENSE PLATES AUTHORIZED. (a) The board by rule shall allow a vehicle registered under Chapter 502 to be equipped with a digital license plate that is placed on the rear of the vehicle in lieu of a physical license plate issued under this chapter. The rule must require the owner of a vehicle issued a digital license plate to obtain a physical license plate to be placed on the front of the vehicle unless the vehicle is of a class of vehicles

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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 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.

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

Sec. 504.154. DIGITAL LICENSE PLATES AUTHORIZED. (a) The board by rule shall allow a vehicle described by Subsection (b) to be equipped with a digital license plate that is placed on the rear of the vehicle in lieu of a physical license plate issued under this chapter. The rule must require the owner of a vehicle issued a digital license plate to obtain a physical license plate to be placed on the front of the vehicle unless the vehicle is of a class of vehicles

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that is not required to display two license plates, as provided by other law.

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

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

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

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

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

Sec. 504.155. DIGITAL LICENSE PLATES REQUIREMENTS AND PERMISSIVE FUNCTIONALITY. (a) The board by rule shall set the specifications and requirements for digital license plates, including requirements for the placement of digital license plates. The design of and information displayed on a digital license plate must be approved by the department.

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

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(Unless otherwise indicated, all SECTIONS below are from FA1)

that is not required to display two license plates, as provided by other law.

(b) A vehicle registered under Chapter 502 may be equipped with a digital license plate only if the vehicle:

(1) is part of a commercial fleet, as defined by Section 502.001;

(2) is owned or operated by a governmental entity; or

(3) is not a passenger vehicle.

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

(d) Notwithstanding any other law, a rule adopted under this subchapter may:

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

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

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

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- (1) meet the specifications and requirements adopted under Subsection (a);
- (2) include the information required to be included on a physical license plate and legibly display that information at all times and in all light conditions, provided that the license plate may display the information in a smaller typeface when the vehicle is parked; and
- (3) have wireless connectivity capability.
- (c) In adopting rules under Subsection (a), the board shall consult with the Department of Public Safety. Except as otherwise provided by this subsection and Section 2001.036, Government Code, a rule adopted under Subsection (a) takes effect on the 31st day after the date on which the rule is filed in the office of the secretary of state. A rule adopted under Subsection (a) does not take effect if, not later than the 30th day after the date on which the rule is filed in the office of the secretary of state, the public safety director of the Department of Public Safety submits to the office of the secretary of state written notification invalidating the rule.
- (d) A rule adopted under this subchapter may:
 - (1) authorize the use of a digital license plate for electronic toll collection or to display a parking permit; or
 - (2) establish procedures for displaying on a digital license plate:
 - (A) an emergency alert or other public safety alert issued by a governmental entity, including an alert authorized under Subchapter L, M, or P, Chapter 411, Government Code;
 - (B) vehicle manufacturer safety recall notices;
 - (C) static logo displays, including unique displays for fleet vehicles; or
 - (D) advertising approved by the department.

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Sec. 504.156. DIGITAL LICENSE PLATE PROVIDER POWERS AND DUTIES. A digital license plate provider with whom the department contracts under Section 504.154: (1) shall maintain an inventory of the digital license plates issued by the provider in this state; (2) shall make available a digital version of each specialty license plate authorized by this chapter, other than personalized license plates authorized for marketing and sale under Subchapter J, provided that: (A) each issuance of a specialty license plate with restricted distribution, including a license plate authorized under Subchapter C, D, E, or F, must be approved by the department; and (B) the provider shall remit to the department in the manner prescribed by the department all money: (i) payable to the department; or (ii) required to be used or deposited in the manner prescribed by the law establishing the license plate; (3) may contract with the private vendor under Subchapter J to make available a digital version of a personalized license plate authorized for marketing and sale under that subchapter, provided that the contract shall conform with any applicable requirements of Subchapter J and the terms of the private vendor's contract with the department; (4) shall, if a digital license plate displays a registration insignia as authorized by a rule adopted under Section 504.154(c)(1), promptly update the display of the registration insignia to reflect the current registration period for the vehicle and, on request of the department, suspend the display of the registration insignia or indicate on the

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license plate that the registration insignia for the vehicle is expired;

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

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

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

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

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If

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

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

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

SECTION 2. Not later than December 31, 2020, the board of the Texas Department of Motor Vehicles shall adopt the rules required by Subchapter B-1, Chapter 504, Transportation Code, as added by this Act, and any other rules necessary to implement and administer that subchapter.

SECTION 3. Same as House version.

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this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.