

By: Bell of Montgomery

H.B. No. 5094

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the financial responsibility verification program.

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

SECTION 1. Sections 502.357(b), (c), and (d), Transportation Code, are amended to read as follows:

(b) Fees collected under this section shall be deposited to the credit of the state highway fund except that the comptroller shall provide for a portion of the fees to be deposited first to the credit of a special fund in the state treasury outside the general revenue fund to be known as the TexasSure Fund in a total amount that is necessary to cover the total amount appropriated to the office of the attorney general [~~Texas Department of Insurance~~] from that fund and for the remaining fees to be deposited to the state highway fund. Subject to appropriations, the money deposited to the credit of the state highway fund under this section may be used by the Department of Public Safety to:

(1) support the Department of Public Safety's reengineering of the driver's license system to provide for the issuance by the Department of Public Safety of a driver's license or personal identification certificate, to include use of image comparison technology; and

(2) make lease payments to the master lease purchase program for the financing of the driver's license reengineering

1 project.

2 (c) Subject to appropriation, fees collected under this
3 section may be used by the Department of Public Safety, the office
4 of the attorney general [~~Texas Department of Insurance~~], the
5 Department of Information Resources, and the department to carry
6 out Subchapter N, Chapter 601.

7 (d) The Department of Public Safety, the office of the
8 attorney general [~~Texas Department of Insurance~~], the Department of
9 Information Resources, and the department shall jointly adopt rules
10 and develop forms necessary to administer this section.

11 SECTION 2. Section 601.451, Transportation Code, is amended
12 to read as follows:

13 Sec. 601.451. DEFINITION. In this subchapter,
14 "implementing agencies" means:

- 15 (1) the department;
- 16 (2) the Texas Department of Motor Vehicles;
- 17 (3) the Texas Department of Insurance; [~~and~~]
- 18 (4) the Department of Information Resources; and
- 19 (5) the office of the attorney general.

20 SECTION 3. Section 601.452(a), Transportation Code, is
21 amended to read as follows:

22 (a) The office of the attorney general [~~Texas Department of~~
23 ~~Insurance~~] in consultation with the other implementing agencies
24 shall establish a program for verification of whether owners of
25 motor vehicles have established financial responsibility. The
26 program established must be:

- 27 (1) the program most likely to:

- 1 (A) reduce the number of uninsured motorists in
2 this state;
- 3 (B) operate reliably;
- 4 (C) be cost-effective;
- 5 (D) sufficiently protect the privacy of the motor
6 vehicle owners;
- 7 (E) sufficiently safeguard the security and
8 integrity of information provided by insurance companies;
- 9 (F) identify and employ a method of compliance
10 that improves public convenience; and
- 11 (G) provide information that is accurate and
12 current; and
- 13 (2) capable of being audited by an independent
14 auditor.

15 SECTION 4. Section 601.453(a), Transportation Code, is
16 amended to read as follows:

17 (a) The office of the attorney general [~~Texas Department of~~
18 ~~Insurance~~] in consultation with the other implementing agencies,
19 under a competitive bidding procedure, shall select an agent to
20 develop, implement, operate, and maintain the program.

21 SECTION 5. Not later than January 1, 2024, the following are
22 transferred from the Texas Department of Insurance to the office of
23 the attorney general:

24 (1) the powers, duties, functions, and activities of
25 the Texas Department of Insurance relating to the establishment and
26 operation of the financial responsibility verification program
27 under Subchapter N, Chapter 601, Transportation Code;

1 (2) any obligations and contracts of the Texas
2 Department of Insurance that are directly related to implementing a
3 power, duty, function, or activity transferred under this section;
4 and

5 (3) all property and records in the custody of the
6 Texas Department of Insurance that are related to a power, duty,
7 function, or activity transferred under this section and all funds
8 appropriated by the legislature for that power, duty, function, or
9 activity.

10 SECTION 6. Not later than the 60th day after the effective
11 date of this Act, the Texas Department of Insurance and the office
12 of the attorney general shall enter into a memorandum of
13 understanding that establishes a plan for the identification and
14 transfer of the records, property, and unspent appropriations of
15 the Texas Department of Insurance that are used for purposes of the
16 department's powers and duties directly related to the
17 establishment and operation of the financial responsibility
18 verification program under Subchapter N, Chapter 601,
19 Transportation Code.

20 SECTION 7. This Act takes effect September 1, 2023.