

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1043
By: Nichols
Transportation
4/2/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1043 is addressing some clean-up language that the Texas Department of Motor Vehicles (TxDMV) needs to correct or adjust issues in the Transportation Code and the Occupations Code. The bill focuses on addressing issues dealing with dealer and lemon law, vehicle titles, title and registration, motor carriers, and motor carrier enforcement.

Most changes relating to motor vehicle dealer and lemon law cases are clean-up. Some of the changes include things like "division" under Chapter 2301 (Sale or Lease of Motor Vehicles), Occupation Code, to be defined as "any" to help reflect that fact that motor vehicle dealer activities are handled by Motor Vehicle and Enforcement divisions. The bill updates outdated references that pre-dated the creation of TxDMV and separation from the Texas Department of Transportation. The bill will codify sections of code relating to the lemon law and hearings; two different bills created different codes of reference.

Most changes relating to vehicle titles are a result of legislative study on trailer titling. The bill clarifies all practices for trailers weighing 4,000 pounds or less and 34,000 pounds or less. The bill addresses certificate of titles and certified copies of titles that would function as new titles. The updated changes would prevent fraud and confusion regarding what legal instrument is valid at any given time for vehicle titling. The bill also clarifies the role and duties of TxDMV in the appeals of decisions made at tax assessor-collector hearings and court order title changes.

Most changes relating to title and registration are indeed clean-up. Examples of the clean-up include definitions of "travel trailer" and "house trailer." The bill also clarifies requirements that an agriculture tax number be shown to receive agriculture related fees and removes the requirement that "DV" appear on disabled veteran license plates due to the shortage of alpha-numeric sequences for such plates.

Most changes to motor carriers are clean-up. Changes include adopting language that clarify if an electronic version of a permit is issued for OS/OW the electronic version would be accepted as proof of being permitted. Wording clean-ups are made changing "single state" to "unified carrier registration," and to conform state statutes to current practice and federal law. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1043 amends current law relating to the regulation of motor vehicles by the Texas Department of Motor Vehicles and the Department of Public Safety; creates a criminal offense; provides a penalty; and authorizes fees.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Motor Vehicles in SECTION 31 (Section 502.0023, Transportation Code) and SECTION 83 (Section 623.020, Transportation Code) of this bill.

Rulemaking authority previously granted to the board of the Texas Department of Motor Vehicles is modified in SECTION 14 (Section 2301.713, Occupations Code), SECTION 29 (Section 501.134, Transportation Code), SECTION 49 (Section 504.010, Transportation Code),

SECTION 96 (Section 643.101, Transportation Code), SECTION 106 (Section 645.002, Transportation Code), and SECTION 107 (Section 645.003, Transportation Code) of this bill.

Rulemaking authority previously granted to the board of the Texas Department of Motor Vehicles is rescinded in SECTION 40 (Section 503.003, Transportation Code) of this bill.

Rulemaking authority previously granted to the Department of Public Safety of the State of Texas is rescinded in SECTION 55 (Section 548.101, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 103.0213, Government Code, as follows:

Sec. 103.0213. **ADDITIONAL FEES AND COSTS IN CRIMINAL OR CIVIL CASES: TRANSPORTATION CODE.** Requires an accused or defendant, or a party to a civil suit, as applicable, to pay the following fees and costs under the Transportation Code if ordered by the court or otherwise required:

- (1) and (2) Makes no change to these subdivisions;
- (3) administrative fee on remediation of charge of driving a vehicle without complying with inspection requirements as certified (Sec. 548.605, Transportation Code) . . . not to exceed \$20;
- (4) and (5) Makes nonsubstantive changes to these subdivisions.

SECTION 2. Amends Section 552.144, Government Code, as follows:

Sec. 552.144. New heading: **EXCEPTION: WORKING PAPERS AND ELECTRONIC COMMUNICATIONS OF ADMINISTRATIVE LAW JUDGES AT STATE OFFICE OF ADMINISTRATIVE HEARINGS AND HEARINGS EXAMINERS AT TEXAS DEPARTMENT OF MOTOR VEHICLES.** Provides that certain working papers and electronic communications of an administrative law judge at the State Office of Administrative Hearings or a hearings examiner at the Texas Department of Motor Vehicles (TxDMV) are excepted from the requirements of Section 552.021 (Availability of Public Information).

SECTION 3. Amends Section 2301.258, Occupations Code, as follows:

Sec. 2301.258. **GENERAL REQUIREMENTS FOR APPLICATION FOR MANUFACTURER'S, DISTRIBUTOR'S, CONVERTER'S, OR REPRESENTATIVE'S LICENSE.** Requires that an application for a manufacturer's, distributor's, converter's, or representative's license be on a form prescribed by TxDMV. Requires that the application include information TxDMV determines necessary to fully determine the qualifications of an applicant and pertinent to safeguard the public interest and welfare. Deletes existing text requiring that the application include financial resources, business integrity and experience, facilities and personnel for serving franchised dealers, and other information TxDMV determines pertinent to safeguard the public interest and welfare.

SECTION 4. Amends Section 2301.453(c), Occupations Code, as follows:

(c) Requires the manufacturer, distributor, or representative, except as provided by Subsection (d) (authorizing notice to be provided not later than the 15th day before the effective date of termination or discontinuance if a licensed dealer fails to conduct its customary sales and service operations during its customary business hours for seven consecutive business days), to provide written notice by registered or certified mail to the dealer and the board of TxDMV (board) stating the specific grounds for the termination or discontinuance. Requires that the notice be received not later than the 60th day before

the effective date of the termination or discontinuance, and contain certain language set forth.

SECTION 5. Amends Section 2301.454(b), Occupations Code, to require that the notice required by Subsection (a)(1) be given not later than the 60th day before the date of the modification or replacement, and contain certain language set forth.

SECTION 6. Reenacts Section 2301.606(c), Occupations Code, as amended by Chapters 1135 (H.B. 2741) and 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it as follows:

(c) Prohibits an order issued under this subchapter from requiring, rather than prohibits the board or a person delegated power from the board under Section 2301.154 (Delegation of Powers) from issuing an order requiring, a manufacturer, converter, or distributor to make a refund or to replace a motor vehicle unless:

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

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

SECTION 7. Reenacts Section 2301.607(c), Occupations Code, as amended by Chapters 1135 (H.B. 2741) and 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it as follows:

(c) Requires TxDMV to provide written notice by certified mail to the complainant and to the manufacturer, converter, or distributor of the expiration of the 150-day period and of the complainant's right to file a civil action if a final order is not issued, rather than proposal for decision and recommendation for a final order are not issued, before the 151st day after the date a complaint is filed under this subchapter. Requires TxDMV, rather than requires the board or a person delegated power from the board under Section 2301.154, to extend the 150-day period if a delay is requested or caused by the person who filed the complaint.

SECTION 8. Reenacts Section 2301.608, Occupations Code, as amended by Chapters 1135 (H.B. 2741) and 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it as follows:

Sec. 2301.608. ASSESSMENT OF COSTS FOR REPLACEMENT OR REFUND. (a) Requires an order issued under this subchapter, rather than requires the board or a person delegated power from the board under Section 2301.154 in an order issued under this subchapter, to name the person responsible for paying the cost of any refund or replacement. Prohibits a manufacturer, converter, or distributor from causing a franchised dealer to directly or indirectly pay any money not specifically required by the order, rather than not specifically ordered by the order board or a person delegated power from the board under Section 2301.154.

(b) and (c) Deletes references to the board or a person delegated power from the board under Section 2301.154, and makes conforming changes.

SECTION 9. Reenacts Section 2301.610(d), Occupations Code, as amended by Chapters 1135 (H.B. 2741) and 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it, to require TxDMV to maintain a toll-free telephone number to provide information to a person who requests information about a condition or defect that was the basis for repurchase or replacement by an order issued under this subchapter, rather than chapter. Requires TxDMV to maintain an effective method of providing information to a person who makes a request.

SECTION 10. Amends Section 2301.612, Occupations Code, as follows:

Sec. 2301.612. OPEN RECORDS EXCEPTION. Changes references to the board to TxDMV. Makes a nonsubstantive change.

SECTION 11. Amends Section 2301.651(a), Occupations Code, to authorize the board to deny an application for a license, revoke or suspend a license, place on probation a person whose license has been suspended, or reprimand a license holder if the applicant or license holder wilfully omits material information from or makes a material misrepresentation in any application or other information filed under this chapter or board rules.

SECTION 12. Amends Section 2301.711, Occupations Code, as follows:

Sec. 2301.711. ORDERS AND DECISIONS. (a) Requires the board or a person delegated final order authority under Section 2301.154, except as otherwise provided by this chapter, to issue final orders for the implementation and enforcement of this chapter and Chapter 503 (Dealer's and Manufacturer's Vehicle License Plates), Transportation Code. Makes a nonsubstantive change.

(b) Requires that an order or decision under this chapter be signed by the presiding officer or assistant presiding officer for the board, a person delegated final order authority under Section 2301.154, or a hearings examiner in a contested case hearing under Section 2301.204 (Complaint Concerning Vehicle Defect) or Subchapter M (Warranties: Rights of Vehicle Owners). Makes a nonsubstantive change.

SECTION 13. Amends Section 2301.712(b), Occupations Code, to require the nonprevailing party in the case, rather than requires the board or a person delegated power from the board under Section 2301.154 to order the nonprevailing party in the case, to reimburse the amount of the filing fee for the case if a person who brings a complaint under Subchapter M prevails in the case, and makes a nonsubstantive change.

SECTION 14. Reenacts Section 2301.713, Occupations Code, as amended by Chapters 1135 (H.B. 2741) and 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it as follows:

Sec. 2301.713. REHEARING. (a) Requires a party who seeks a rehearing of an order, except as otherwise provided by this section, rather than Subsection (b), to seek the rehearing in accordance with Chapter 2001 (Administrative Procedure), Government Code.

(b) Authorizes the board by rule to establish procedures to allow a party to a contested case to file a motion for rehearing. Deletes existing text authorizing the board by rule to establish a procedure to allow parties to cases in which the final order is issued by a person to whom final order authority is delegated under Section 2301.154 to file motions for rehearing with the board.

(c) Makes no change to this subsection.

SECTION 15. Amends Section 171.1011(g-7), Tax Code, as follows:

(g-7) Requires a taxable entity that is a qualified courier and logistics company to exclude from its total revenue, to the extent included under Subsection (c)(1)(A) (providing that, except as provided by this section, and subject to Section 171.1014, for the purpose of computing its taxable margin under Section 171.101, the total revenue of a taxable entity is for a taxable entity treated for federal income tax purposes as a corporation, an amount computed by adding certain amounts set forth), (c)(2)(A) (providing that, except as provided by this section, and subject to Section 171.1014, for the purpose of computing its taxable margin under Section 171.101, the total revenue of a taxable entity is for a

taxable entity treated for federal income tax purposes as a partnership, an amount computed by adding certain amounts set forth), or (c)(3) (Except as provided by this section, and subject to Section 171.1014, for the purpose of computing its taxable margin under Section 171.101, the total revenue of a taxable entity is for a taxable entity other than a taxable entity treated for federal income tax purposes as a corporation or partnership, an amount determined in a manner substantially equivalent to the amount for Subdivision (1) or (2) determined by rules that the comptroller is required to adopt), subcontracting payments made by the taxable entity to nonemployee agents for the performance of delivery services on behalf of the taxable entity. Provides that for purposes of this subsection, "qualified courier and logistics company" means a taxable entity that:

(1) Makes no change to this subdivision;

(2) during the period on which margin is based, is registered as a motor carrier under Chapter 643 (Motor Carrier Registration), Transportation Code, and if the taxable entity operates on an interstate basis, is registered as a motor carrier or broker under the motor vehicle registration system established under 49 U.S.C. Section 14504a or a similar federal registration program that replaces that system, rather than under the unified carrier registration system, as defined by Section 643.001 (Definitions), Transportation Code, during that period;

(3)-(8) Makes no change to these subdivisions.

SECTION 16. Amends Section 256.101(3), Transportation Code, to redefine "weight tolerance permit."

SECTION 17. Amends Section 501.002(30), Transportation Code, to redefine "travel trailer."

SECTION 18. Amends Section 501.004(b), Transportation Code, as follows:

(b) Provides that this chapter does not apply to:

(1) a farm trailer or farm semitrailer with a gross vehicle weight of 34,000 pounds or less used only for the transportation of farm products if the products are not transported for hire;

(2) and (3) Makes no change to these subdivisions; or

(4) a new motor vehicle on loan to a political subdivision of the state for use only in a driver education course approved by the Texas Education Agency, rather than the Central Education Agency.

SECTION 19. Amends Subchapter A, Chapter 501, Transportation Code, by adding Section 501.008, as follows:

Sec. 501.008. TITLE FOR AUTOCYCLE. (a) Defines "autocycle" in this section.

(b) Provides that, for purposes of issuing a title under this chapter, an autocycle is considered to be a motorcycle.

SECTION 20. Amends Section 501.021(a), Transportation Code, as follows:

(a) Requires a motor vehicle title issued by TxDMV to include the legal name, city, and state of each seller at the first sale or subsequent sale.

Deletes existing text requiring a motor vehicle title issued by TxDMV to include the legal name and address of each seller at the first sale or a subsequent sale, and makes nonsubstantive changes. Renumbers existing Subdivisions (3)-(9).

SECTION 21. Amends Section 501.0234(a), Transportation Code, as follows:

(a) Requires a person who sells, including by consignment, at the first or a subsequent sale a motor vehicle and who holds a general distinguishing number issued under Chapter 503 of this code or Chapter 2301, Occupations Code, to, at the same time the person files for title and registration under Subdivision (1), remit any required motor vehicle sales tax. Makes a nonsubstantive change.

SECTION 22. Amends the heading to Section 501.036, Transportation Code, to read as follows:

Sec. 501.036. TITLE FOR FARM TRAILER OR FARM SEMITRAILER.

SECTION 23. Amends Section 501.036, Transportation Code, by amending Subsections (a) and (b) and adding Subsection (b-1), as follows:

(a) Authorizes TxDMV, notwithstanding any other provision of this chapter, to issue a title for a farm trailer or farm semitrailer with a gross vehicle weight of 34,000 pounds or less if all requirements for issuance of a title are met. Deletes existing text authorizing TxDMV, notwithstanding any other provision of this chapter, to issue a title for a farm semitrailer with a gross weight of more than 4,000 pounds if the farm semitrailer is eligible for registration under Section 502.146. Makes conforming changes.

(b) Requires the owner of the farm trailer or farm semitrailer, to obtain a title under this section, to meet certain requirements.

(b-1) Requires a subsequent purchaser of a farm trailer or farm semitrailer titled previously under this section to obtain a title under this section.

SECTION 24. Amends Section 501.037, Transportation Code, as follows:

Sec. 501.037. New heading: TITLE FOR TRAILERS OR SEMITRAILERS. (a) Authorizes TxDMV, notwithstanding any other provision of this chapter, to issue a title for a trailer or semitrailer that has a gross vehicle weight of 4,000 pounds or less if all other requirements for issuance of a title are met.

(b) Requires the owner of the trailer or semitrailer, to obtain a title under this section, to meet certain requirements.

(c) Requires a subsequent purchaser of a trailer or semitrailer titled previously under this section to obtain a title under this section.

SECTION 25. Amends Section 501.052, Transportation Code, by amending Subsection (e) and adding Subsection (f), as follows:

(e) Authorizes an applicant aggrieved by the determination under Subsection (d) (providing that a determination of the assessor-collector is binding on the applicant and TxDMV as to whether TxDMV correctly refused to issue or correctly rescinded, canceled, revoked, or suspended the title) to appeal only to the county or district court of the county of the applicant's residence. Requires an applicant to file an appeal not later than the fifth day after the date of the assessor-collector's determination and to serve a copy of the petition on TxDMV and all persons known to have a potential ownership or security interest in the vehicle, including all owners and lienholders listed on the title. Requires the applicant to also provide to the court a certified title history for the vehicle obtained from TxDMV. Requires the judge to try the appeal in the manner of other civil cases. Provides that all rights and immunities granted in the trial of a civil case are available to TxDMV and all interested parties. Requires TxDMV to promptly issue a title for the vehicle if TxDMV's action is not sustained.

(f) Provides that, in an appeal brought under Subsection (e), TxDMV is not required to file an answer or appear before a county or district court as a party to the appeal, but TxDMV is authorized to intervene to enter an appearance or provide evidence. Authorizes the court to require TxDMV to respond to requests for information relevant to the appeal.

SECTION 26. Amends Section 501.0521, Transportation Code, by adding Subsection (c), as follows:

(c) Requires the petitioner, in any action filed in a county or district court under this subchapter, to serve a copy of the petition on TxDMV and all persons and entities known to have a potential ownership or security interest in the vehicle, including all owners and lienholders listed on the title. Requires the petitioner to also provide to the court a certified title history for the vehicle obtained from TxDMV. Provides that TxDMV is not required to file an answer or appear before a county or district court as a party to the action, but TxDMV is authorized to intervene to enter an appearance or provide evidence.

SECTION 27. Reenacts Section 501.097(a), Transportation Code, as amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, and amends it as follows:

(a) Requires that an application for a nonrepairable vehicle title, nonrepairable record of title, salvage vehicle title, or salvage record of title:

(1) be made in a manner, rather than be made on a form, prescribed by TxDMV and accompanied by a \$8 application fee;

(2) include, in addition to any other information required by TxDMV:

(A) Makes a nonsubstantive change;

(B) Makes no change to this paragraph; and

(C) a statement describing whether the motor vehicle:

(i) was the subject of a total loss claim paid by an insurance company under Section 501.0925 (Insurance Company Not Required to Surrender Certificates of Title in Certain Situations), 501.1001 (Salvage Motor Vehicles or Nonrepairable Motor Vehicles for Insurance Companies or Self-Insured Persons), or 501.1002 (Owner-Retained Vehicles), rather than under Section 501.092, 501.0925, or 501.093;

(ii) is a self-insured motor vehicle under Section 501.1001, rather than Section 501.094;

(iii)-(v) Makes no change to these subparagraphs; and

(3) Makes no change to this subdivision.

SECTION 28. Amends the heading to Section 501.134, Transportation Code, to read as follows:

Sec. 501.134. CERTIFIED COPY OF CERTIFICATE OF TITLE.

SECTION 29. Amends Sections 501.134(a), (b), and (c), Transportation Code, as follows:

(a) Authorizes the owner or lienholder disclosed on a title, rather than authorizes the owner or lienholder disclosed on the title, if a printed title is lost or destroyed, to obtain, in the manner provided by this section and TxDMV rule, a certified copy of the title,

rather than lost or destroyed title, directly from TxDMV by applying in a manner prescribed by TxDMV and paying a fee as provided by Section 501.138, rather than a fee of \$2. Deletes existing text requiring that a fee collected under this subsection be deposited to the credit of TxDMV fund and authorizing it to be spent only as provided by Section 501.138 (Collection and Disposition of Fees).

(b) Authorizes TxDMV, if a lien is disclosed on a title, to issue a certified copy of the title, rather than original title, only to the first lienholder or the lienholder's verified agent.

(c) Requires TxDMV to plainly mark "certified copy" on the face of a certified copy issued under this section. Provides that a certified copy of the title that is lawfully obtained under this section supersedes and invalidates any previously issued title or certified copy. Authorizes TxDMV, if the certified copy of title is later rescinded, canceled, or revoked under Section 501.051 (Grounds for Refusal to Issue or for Revocation or Suspension of Title), to reinstate or reissue a previously superseded or invalidated title or certified copy of title. Provides that a subsequent purchaser or lienholder of the vehicle only acquires the rights, title, or interest in the vehicle held by the holder of the certified copy.

SECTION 30. Amends Sections 502.001(2) and (40), Transportation Code, to redefine "apportioned license plate" and "token trailer."

SECTION 31. Amends Sections 502.0023, Transportation Code, by amending Subsections (c) and (d-1) and adding Subsection (k), as follows:

(c) Requires an owner registering a commercial fleet under this section, in addition to the registration fees prescribed by this chapter, to pay a one-time commercial fleet registration fee, rather than an annual commercial fleet registration fee, of \$10 per motor vehicle, semitrailer, or trailer in the fleet.

(d-1) Requires TxDMV to issue a license plate for a token trailer registered under this section that does not expire. Requires that the license plate include the word "Permanent." Authorizes a license plate issued under this subsection to remain on a token trailer until the token trailer is removed from service or sold, provided that the license plate must be removed if TxDMV cancels, suspends, or revokes the registration for the token trailer as provided by law of TxDMV rule. Deletes existing text authorizing the alphanumeric pattern for a license plate issued under this subsection to remain on a token trailer for as long as the registration of the token trailer is renewed or until the token trailer is removed from service or sold.

(k) Provides that a token trailer that displays a license plate issued under Subsection (d-1) is subject to the inspection requirements under Chapter 548 as if the token trailer was not permanently registered. Requires TxDMV and DPS to adopt rules to establish a method to enforce the inspection requirements under Chapter 548 for a token trailer that displays a license plate issued under Subsection (d-1). Requires the rules to authorize TxDMV to suspend the registration of a token trailer that displays a license plate issued under Subsection (d-1) for failure to comply with the inspection requirements. Authorizes TxDMV to assess a fee to cover TxDMV's administrative costs to implement this subsection.

SECTION 32. Amends Subchapter A, Chapter 502, Transportation Code, by adding Section 502.004, as follows:

Sec. 502.004. REGISTRATION OF AUTOCYCLE. (a) Defines "autocycle."

(b) Provides that, for purposes of registering a vehicle under this chapter, an autocycle is considered to be a motorcycle.

SECTION 33. Amends Sections 502.044(a) and (e), Transportation Code, as follows:

(a) Requires TxDMV, except as provided by Subsection (e), to designate a vehicle registration year of 12 consecutive months to begin on the first day of a calendar month and end on the last day of the 12th calendar month.

(e) Requires TxDMV to use the date of sale of the vehicle in designating the registration period, rather than registration year, for a vehicle for which registration is applied under Section 501.0234 or by a commercial fleet buyer described by Section 501.0234(b)(4). Provides that, unless TxDMV designated a registration period of less than 12 months, the registration period is:

(1) 12 consecutive months if the vehicle receives a one-year inspection period under Section 548.102; or

(2) 24 consecutive months if the vehicle receives a two-year inspection period under Section 548.102, provided that all fees are paid for each year of registration.

SECTION 34. Amends Sections 502.146(a) and (h), Transportation Code, as follows:

(a) Requires TxDMV to issue distinguishing license plates, rather than specialty license plates, to a vehicle described by Subsection (b) (providing that an owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle is a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively to transport seasonally harvested agricultural products or livestock from the place of production to the place of processing, market, or storage, to transport farm supplies from the place of loading to the farm, or for the purpose of participating in equine activities or attending livestock shows, as defined by Section 87.001, Civil Practice and Remedies Code) or (c) (providing that an owner is not required to register a vehicle that is a farm trailer or farm semitrailer owned by a cotton gin and used exclusively to transport agricultural products without charge from the place of production to the place of processing, market, or storage, a trailer used exclusively to transport fertilizer without charge from a place of supply or storage to a farm, or a trailer used exclusively to transport cottonseed without charge from a place of supply or storage to a farm or place of processing). Provides that the fee for the license plates is \$5 and requires that the fee be deposited to the credit of the TxDMV fund.

(h) Prohibits a distinguishing license plate, rather than specialty license plate, from being issued or renewed under Subsection (a) to an owner of a vehicle described by Subsection (b)(1) (providing that an owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle is a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively for certain purposes) unless the vehicle's owner provides a registration number issued by the comptroller under Section 151.1551 (Registration Number Required for Timber and Certain Agricultural Items), Tax Code. Makes no further change to this subsection.

SECTION 35. Amends Subchapter D, Chapter 502, Transportation Code, by adding Section 502.147, as follows:

Sec. 502.147. CERTAIN FARM TRAILERS, FARM SEMITRAILERS, FARM TRACTORS, AND IMPLEMENTS OF HUSBANDRY. Provides that an owner is not required to register a farm trailer or farm semitrailer that has a gross weight of 4,000 pounds or less or a farm tractor or an implement of husbandry, if the trailer, semitrailer, tractor, or implement is operated only temporarily on the highways.

SECTION 36. Amends the heading to Section 502.255, Transportation Code, to read as follows:

Sec. 502.255. TRUCK-TRACTOR OR COMMERCIAL MOTOR VEHICLE COMBINATION FEE; PERMANENT SEMITRAILER TOKEN FEE.

SECTION 37. Amends Sections 502.255(c), (i), and (j), Transportation Code, as follows:

(c) Provides that the one-time fee for registration of a semitrailer used in the manner described by Subsection (a) (providing that this section applies only to a truck-tractor or commercial motor vehicle with a gross weight of more than 10,000 pounds that is used or is to be used in combination with a semitrailer that has a gross weight of more than 6,000 pounds), regardless of the date the semitrailer is registered, is \$105, rather than \$15 for a registration year.

(i) Requires TxDMV to issue a license plate for a token trailer registered under this section that does not expire or require an annual registration insignia to be valid. Requires that the license plate include the word "Permanent." Authorizes a license plate issued under this subsection to remain on a token trailer until the token trailer is removed from service or sold, provided that the license plate must be removed if the TxDMV cancels, suspends, or revokes the registration for the token trailer as provided by law or TxDMV rule. Deletes existing text authorizing the alphanumeric pattern for a license plate issued under this subsection to remain on a token trailer for as long as the registration of the token trailer is renewed or until the token trailer is removed from service or sold.

(j) Authorizes a person to register a semitrailer under this section if the person pays the fee required by Subsection (c), rather than a fee of \$15, plus any other applicable fee under this chapter, rather than under Section 502.401 for each year included in the registration period.

(k) Provides that a token trailer that displays a license plate issued under Subsection (i) is subject to the inspection requirements under Chapter 548 as if the token trailer was not permanently registered. Requires TxDMV and DPS to adopt rules to establish a method to enforce the inspection requirements under Chapter 548 for a token trailer that displays a license plate issued under Subsection (i). Requires the rules to authorize TxDMV to suspend the registration of a token trailer that displays a license plate issued under Subsection (i) for failure to comply with the inspection requirements. Authorizes TxDMV to assess a fee to cover TxDMV's administrative costs to implement this subsection.

SECTION 38. Amends Section 502.433(a-1), Transportation Code, as follows:

(a-1) Prohibits a commercial motor vehicle from being registered or renewed under this section unless the vehicle's owner provides a registration number issued by the comptroller under Section 151.1551, Tax Code. Makes no further change to this subsection.

SECTION 39. Amends Section 503.001(1), Transportation Code, to redefine "board."

SECTION 40. Amends Section 503.003, Transportation Code, as follows:

Sec. 503.003. DISPLAY OR SALE OF NONMOTORIZED VEHICLE OR TRAILER. Provides that this chapter does not prohibit the display or sale of a nonmotorized vehicle or trailer at a regularly scheduled vehicle or boat show with multiple vendors. Deletes existing text providing this chapter does not prohibit the display or sale of a nonmotorized vehicle or trailer at a regularly scheduled vehicle or boat show with multiple vendors in accordance with commission rules.

SECTION 41. Amends Section 503.007(a), Transportation Code, to provide that the fee for an original general distinguishing number is \$500 for the first year and \$200 for each subsequent year, rather than for each subsequent year for which the number is valid.

SECTION 42. Reenacts Section 503.009(b), Transportation Code, as repealed by Chapter 1135 (H.B. 2741), Acts of the 83rd Legislature, Regular Session, 2013, and amended by Chapter 1379 (H.B. 1692), Acts of the 83rd Legislature, Regular Session, 2013, and amends it to provide that the procedures applicable to a hearing conducted under this section are those applicable to a hearing conducted under Chapter 2301, Occupations Code, or Chapter 2001, Government Code.

SECTION 43. Amends Section 503.010, Transportation Code, to change a reference to commission to board.

SECTION 44. Amends Section 503.031(a), Transportation Code, to change references to commission to TxDMV.

SECTION 45. Amends Section 503.038(a), Transportation Code, to authorize TxDMV to cancel a dealer's general distinguishing number if the dealer wilfully omits material information from or makes a material misrepresentation in an application or other information filed with TxDMV.

SECTION 46. Amends Section 503.0626(a), Transportation Code, as follows:

(a) Requires TxDMV to develop, manage, and maintain a secure, real-time database of information on vehicles to which dealers and converters have affixed temporary tags. Deletes existing text requiring that the database be managed by the vehicle titles and registration division of TxDMV.

SECTION 47. Amends Section 503.0631(a), Transportation Code, as follows:

(a) Requires TxDMV to develop, manage, and maintain a secure, real-time database of information on persons to whom temporary buyer's tags are issued that may be used by a law enforcement agency in the same manner that the agency uses vehicle registration information. Deletes existing text requiring that the database be managed by the vehicle titles and registration division of TxDMV.

SECTION 48. Amends Section 503.069(a), Transportation Code, to change a reference to commission to board.

SECTION 49. Amends Section 504.010(c), Transportation Code, as follows:

(c) Authorizes the board, unless otherwise specified by statute, to adopt rules regarding the placement of license plates. Deletes existing text authorizing the board to adopt rules regarding the placement of license plates for a motor vehicle, road tractor, motorcycle, trailer, or semitrailer.

SECTION 50. Amends Subchapter A, Chapter 504, Transportation Code, by adding Section 504.011, as follows:

Sec. 504.011. ISSUANCE DATE FOR CERTAIN SPECIALTY LICENSE PLATES.

(a) Provides that TxDMV is not required to issue a specialty license plate under this chapter that was created or authorized by an Act of the 84th Legislature, Regular Session, 2015, until January 1, 2016.

(b) Provides that this section expires January 31, 2016.

SECTION 51. Amends Sections 504.202(b) and (e), Transportation Code, as follows:

(b) Entitles a veteran of the United States armed forces to register, for the person's own use, motor vehicles under this section if the motor vehicle has a gross vehicle weight of 18,000 pounds or less or is a motor home.

(e) Requires that license plates issued under this section, other than license plates issued under Subsection (h) (authorizing a person entitled to license plates under this section to elect to receive license plates issued under Chapter 502 under the same conditions for the issuance of license plates under this section), include the words "Disabled Veteran" and "U.S. Armed Forces" at the bottom of each license plate. Deletes existing text requiring that license plates issued under this section, other than license plates issued under Subsection (h), include the letters "DV" on the plate if the plate is issued for a vehicle other than a motorcycle.

SECTION 52. Amends Section 504.943(b), Transportation Code, as follows:

(b) Provides that a person commits an offense if the person operates on a public highway during a registration period a road tractor, truck tractor, motorcycle, trailer, or semitrailer that does not display a license plate that:

(1) has been assigned by TxDMV for the period; and

(2) complies with TxDMV rules regarding the placement of license plates.

SECTION 53. Amends Section 541.201(5), Transportation Code, by redefining "house trailer" to mean a trailer or semitrailer, other than a towable recreational vehicle, that is less than 45 feet, rather than 40 feet, in length. Makes no further changes.

SECTION 54. Amends Section 548.005, Transportation Code, as follows:

Sec. 548.005. INSPECTION ONLY BY STATE-CERTIFIED AND SUPERVISED INSPECTION STATION. Deletes existing text authorizing a compulsory inspection under this chapter to be made only by an inspection station, except that the Department of Public Safety of the State of Texas (DPS) may authorize the acceptance in this state of a certificate of inspection and approval issued in compliance with 49 C.F.R. Part 396 to a motor bus, as defined by Section 502.001 (Definitions), that is registered in this state but is not domiciled in this state. Makes nonsubstantive changes.

SECTION 55. Amends Section 548.101, Transportation Code, as follows:

Sec. 548.101. GENERAL ONE-YEAR INSPECTION PERIOD. (a) Creates subsection from existing text.

(b) Creates subsection from existing text. Requires, rather than authorizes, a vehicle owner to obtain an inspection not earlier than 90 days before the date of expiration of the vehicle's registration. Makes nonsubstantive changes. Deletes existing text requiring DPS to set the periods of inspection and authorizing DPS to make rules with respect to those periods.

(c) Creates subsection from existing text. Requires a used motor vehicle sold by a dealer, as defined by Section 503.001 (Definitions), to be inspected in the 180 days preceding the date the dealer sells the vehicle.

SECTION 56. Amends the heading to Section 548.102, Transportation Code, to read as follows:

Sec. 548.102. INITIAL INSPECTION PERIOD FOR PASSENGER CAR OR LIGHT TRUCK.

SECTION 57. Amends Section 548.102, Transportation Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Provides that the initial inspection period is one year or two years, at the option of the purchaser of the vehicle, for a passenger car or light truck that is sold in this state or

purchased by a commercial fleet buyer described by Section 501.0234(b)(4) for use in this state. Makes no further change to this subsection.

(c) Provides that, notwithstanding any other provision of this chapter, the initial inspection period begins on the date on which registration begins when a registration application is made:

(1) under Section 501.0234; or

(2) by a commercial fleet buyer described by Section 501.0234(b)(4).

SECTION 58. Amends Section 548.201(b), Transportation Code, as follows:

(b) Provides that a program under this section also applies to any:

(1) school activity bus, as defined in Section 541.201, that has a gross weight, registered weight, or gross weight rating of more than 26,000 pounds, or is designed to transport more than 15 passengers, including the driver; and

(2) school bus that will operate at a speed authorized by Section 545.352(b)(4)(A), rather than Section 545.352(b)(5)(A).

Deletes existing text providing that a program under this section also applies to any vehicle or combination of vehicles with a gross weight rating of more than 10,000 pounds that is operated in interstate commerce and registered in this state. Makes nonsubstantive changes.

SECTION 59. Amends Section 548.203, Transportation Code, as follows:

Sec. 548.203. EXEMPTIONS. (a) Provides that, notwithstanding any other provision of this chapter, a vehicle that is subject to inspection under 49 C.F.R. Part 396 is exempt from the safety inspection required under this subchapter.

(b) Creates this subsection from existing text.

SECTION 60. Amends Section 548.251, Transportation Code, as follows:

Sec. 548.251. DEPARTMENT TO MAINTAIN DATABASE. Requires DPS to ensure that the vehicle identification number of each inspected vehicle is included in the database, along with a notation on whether the vehicle complies with the applicable inspection requirements under this chapter and Chapter 382 (Clean Air Act), Health and Safety Code.

SECTION 61. Amends Section 548.256, Transportation Code, as follows:

Sec. 548.256. New heading: PROOF OF COMPLIANCE WITH INSPECTION REQUIREMENTS REQUIRED TO REGISTER VEHICLE. (a) Requires DPS or the county assessor-collector registering the vehicle, except as provided by Subsection (b), before a vehicle may be registered, to verify that the vehicle complies with the applicable inspection requirements under this chapter and Chapter 382, Health and Safety Code, rather than inspections required by this chapter, as indicated in the department's inspection database. Authorizes the owner of the vehicle to present a vehicle inspection report issued for the vehicle if the database information is not available.

(b) Authorizes DPS or a county assessor-collector to register a vehicle that is not in compliance with the applicable inspection requirements under this chapter or Chapter 382, Health and Safety Code, if the vehicle is located in another state at the time the applicant applies for registration or registration renewal under Chapter 502 and the applicant certifies that the vehicle is located in another state

and the applicant will comply with the applicable inspection requirements under this chapter, Chapter 382, Health and Safety Code, and the department's administrative rules regarding inspection requirements once the vehicle is operated in this state. Requires DPS or the county assessor-collector to add a notation to the DPS registration database for law enforcement to verify the inspection status of the vehicle.

SECTION 62. Amends Section 548.301(c), Transportation Code, to require a program established under this section to include registration and registration renewal-based enforcement, rather than reregistration-based enforcement.

SECTION 63. Amends Sections 548.3011(a) and (c), Transportation Code, as follows:

(a) Changes reference to certificate of title to title.

(c) Provides that a vehicle subject to this section is not eligible for a title receipt under Section 501.024 (Title Receipt), a title under Section 501.027 (Issuance of Title), or registration under Chapter 502 (Registration of Vehicles) in a county with a motor vehicle emissions inspection and maintenance program unless proof is presented with the application for title or registration, as appropriate, that the vehicle, not earlier than the 90th day before the date on which the new owner's application for title or registration is filed with the county clerk or county assessor-collector, as appropriate, is in compliance with the emissions inspection requirements as determined by DPS, rather than that the vehicle has passed an approved vehicle emissions test in the county in which it is to be titled or registered. Changes reference to certificate of title to title.

SECTION 64. Amends Section 548.306(h), Transportation Code, to authorize TxDMV, rather than the Texas Department of Transportation, to deny the renewal of registration of a vehicle if the registered owner of the vehicle has received notification under Subsection (c) and the vehicle has not passed a verification emissions inspection.

SECTION 65. Amends the heading to Section 548.503, Transportation Code, to read as follows:

Sec. 548.503. TWO-YEAR INSPECTION OF PASSENGER CAR OR LIGHT TRUCK.

SECTION 66. Amends Section 548.503(a), Transportation Code, as follows:

(a) Requires the fee for inspection of a passenger car or light truck that receives a two-year inspection period under Section 548.102 (Two-year Initial Inspection Period for Passenger Car or Light Truck) to be set by DPS by rule on or before September 1 of each year. Makes no further change to this subsection.

SECTION 67. Amends Subchapter H, Chapter 548, Transportation Code, by adding Section 548.510, as follows:

Sec. 548.510. REFUND OF OVERCHARGED INSPECTION FEE. (a) Entitles the owner of a motor vehicle who pays at the time of registration an inspection fee in excess of the required amount to a refund of the overcharge.

(b) Requires a county assessor-collector who collects an excessive fee, or TxDMV if the excessive fee is collected by TxDMV, to refund an overcharge on presentation of satisfactory evidence of the overcharge not later than the first anniversary of the date the excessive inspection fee was paid.

(c) Requires the comptroller of public accounts of the State of Texas (comptroller) to reimburse an entity for any refunds made by the entity under this section.

SECTION 68. Amends Subchapter I, Chapter 548, Transportation Code, by adding Section 548.605, as follows:

Sec. 548.605. DRIVING A VEHICLE WITHOUT COMPLYING WITH INSPECTION REQUIREMENTS AS CERTIFIED; OFFENSE; DISMISSAL OF CHARGE. (a) Defines "working day."

(b) Provides that a person commits an offense if:

(1) the person operates in this state a motor vehicle for which a certification was provided under Section 548.256(b); and

(2) the vehicle is not in compliance with the applicable inspection requirements under this chapter, Chapter 382, Health and Safety Code, or TxDMV's administrative rules regarding inspection requirements.

(c) Authorizes a peace officer to require the owner or operator to produce a vehicle inspection report issued for the vehicle if the TxDMV registration database includes a notation for law enforcement to verify the inspection status of the vehicle.

(d) Provides that it is a defense to prosecution under Subsection (b) that a passing vehicle inspection report issued for the vehicle is in effect at the time of the offense.

(e) Requires a court to:

(1) dismiss a charge under this section if the defendant remedies the defect:

(A) not later than the 20th working day after the date of the citation or before the defendant's first court appearance date, whichever is later; or

(B) not later than the 40th working day after the applicable deadline provided by this chapter, Chapter 382, Health and Safety Code, or DPS' administrative rules regarding inspection requirements; and

(2) assess an administrative fee not to exceed \$20 when the charge has been remedied under Subdivision (1).

(f) Provides that an offense under this section is a Class C misdemeanor.

SECTION 69. Amends Section 621.002, Transportation Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Requires that a copy of the registration receipt issued under Section 502.057 for a commercial motor vehicle, truck-tractor, trailer, or semitrailer, except as provided by Subsection (c), be:

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

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

Makes a nonsubstantive change.

(c) Provides that Subsection (a) does not apply to a vehicle that displays a license plate issued under Section 502.0023(d-1) (requiring TxDMV to issue a license plate for a token

trailer registered under this section that does not expire) or 502.255(i) (requiring TxDMV to issue a license plate for a token trailer registered under this section that does not expire or require an annual registration insignia to be valid).

SECTION 70. Amends Subchapter A, Chapter 621, Transportation Code, by adding Section 621.0075, as follows:

Sec. 621.0075. EVIDENCE OF PERMIT. (a) Requires an operator of a vehicle operating under a permit issued under this subtitle who is required by law or rule to carry the permit in the vehicle to, on request, provide the permit for the vehicle or a photocopy of the permit to a peace officer, as defined by Article 2.12 (Who Are Peace Officers), Code of Criminal Procedure.

(b) Authorizes the vehicle operator, if TxDMV provides a permit electronically, to provide a legible and accurate image of the permit displayed on a wireless communication device.

(c) Provides that the display of an image that includes permit information on a wireless communication device under Subsection (b) does not constitute effective consent for a law enforcement officer, or any other person, to access the contents of the wireless communication device except to view the permit information.

(d) Provides that the authorization of the use of a wireless communication device to display permit information under Subsection (b) does not prevent a court of competent jurisdiction from requiring a person to provide a paper copy of the person's evidence of permit in a hearing or trial or in connection with discovery proceedings.

(e) Prohibits a telecommunications provider, as defined by Section 51.002 (Definitions), Utilities Code, from being held liable to the operator of the motor vehicle for the failure of a wireless communication device to display permit information under Subsection (b).

SECTION 71. Amends Subchapter A, Chapter 621, Transportation Code, by adding Section 621.009, as follows:

Sec. 621.009. SIZE AND WEIGHT LIMITATIONS. Provides that the size and weight limitations provided by this chapter apply unless otherwise provided by this subtitle.

SECTION 72. Amends Section 621.101(a), Transportation Code, to prohibit a vehicle or combination of vehicles from being operated over or on a public highway or at a port-of-entry between Texas and the United Mexican States if the vehicle or combination has tires that carry a weight heavier than the weight specified and marked on the sidewall of the tire, unless expressly authorized, rather than unless the vehicle is being operated, under the terms of a special permit.

SECTION 73. Amends Section 621.102(d), Transportation Code, to authorize a vehicle operating under a permit issued under Section 623.011 (Permit for Excess Axle or Gross Weight), 623.020, 623.071 (Permit to Move Certain Heavy Equipment), 623.094 (Permit Issuance), 623.121 (Permit to Move Portable Building Unit), 623.142 (Permit to Move Oil Well Servicing or Drilling Machinery), 623.181 (Annual Permit), 623.192 (Permit to Move Unladen Lift Equipment Motor Vehicles), 623.212 (Permits by Port Authority), or 623.321 (Permit), as added by Chapter 1135 (H.B. 2741), Acts of the 83rd Legislature, Regular Session, 2013, to operate under the conditions authorized by the permit over a road for which the executive director of the Texas Department of Transportation has set a maximum weight under this section.

SECTION 74. Amends Section 621.301(e), Transportation Code, to authorize a vehicle operating under a permit issued under Section 623.011, 623.020, 623.071, 623.094, 623.121, 623.142, 623.181, 623.192, 623.212, or 623.321, as added by Chapter 1135 (H.B. 2741), Acts of the 83rd Legislature, Regular Session, 2013, to operate under the conditions authorized by the

permit over a road for which the commissioners court has set a maximum weight under this section.

SECTION 75. Amends Section 621.502(d), Transportation Code, to provide that intent to operate a vehicle at a weight that is heavier than the weight authorized by a permit issued under Section 623.011 or 623.020 is presumed if the vehicle is operated at a weight that is heavier than the applicable weight plus the tolerance allowance provided by Section 623.011(a) or 623.020(a).

SECTION 76. Amends the heading to Section 621.503, Transportation Code, to read as follows:

Sec. 621.503. PROHIBITION OF LOADING MORE THAN SIZE OR WEIGHT LIMITATION.

SECTION 77. Amends Sections 621.503(a) and (b), Transportation Code, as follows:

(a) Prohibits a person from loading, or causing to be loaded, a vehicle for operation on a public highway of this state that exceeds the height, width, length, or weight limitations for operation of that vehicle provided by this subtitle, rather than Section 621.101 (Maximum Weight of Vehicle or Combination).

(b) Provides that intent to violate a weight limitation is presumed if the weight of the loaded vehicle is heavier than the applicable axle or gross weight limit by 15 percent or more.

SECTION 78. Amends Subchapter G, Chapter 621, Transportation Code, by adding Section 621.511, as follows:

Sec. 621.511. NAME ON PERMIT; OFFENSE. (a) Provides that a person commits an offense if:

(1) the person operates or moves on a public highway a vehicle that is issued a permit under this subtitle; and

(2) the person operating or moving the vehicle is not the person named on the permit for the vehicle.

(b) Provides that an offense under this section is a Class C misdemeanor.

SECTION 79. Amends Section 622.901, Transportation Code, as follows:

Sec. 622.901. WIDTH EXCEPTIONS. Provides that the width limitation provided by Section 621.201 does not apply to:

(1) Makes no change to this subdivision.

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

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

(B) a vehicle on which a farm tractor, implement of husbandry, or equipment used in the harvesting and production of timber, other than a tractor, implement, or equipment being transported from one dealer to another, is being moved by the owner of the tractor, implement, or equipment or by an agent or employee of the owner:

- (i) to deliver the tractor, implement, or equipment to a new owner;
- (ii) to transport the tractor, implement, or equipment to or from a mechanic for maintenance or repair; or
- (iii) in the course of an agricultural forestry operation;

(3)-(6) Makes no change to these subdivisions.

Makes nonsubstantive changes.

SECTION 80. Amends Section 623.0113, Transportation Code, as follows:

Sec. 623.0113. ROUTE RESTRICTIONS. (a) Provides that a permit issued under Section 623.011 or 623.020, except as provided by Subsection (b), does not authorize the operation of a vehicle on certain highways and bridges.

(b) Provides that the restrictions under Subsection (a)(2) do not apply if a bridge described by Subsection (a)(2) (relating to established weight and load of a bridge) provides the only public vehicular access from an origin or to a destination by a holder of a permit issued under Section 623.011 or 623.020.

SECTION 81. Amends Sections 623.0171(b) and (e), Transportation Code, as follows:

(b) Authorizes TxDMV to issue a permit that authorizes the operation of a ready-mixed concrete truck with three or more axles, rather than with three axels.

(e) Requires TxDMV, when TxDMV issues a permit under this section, to issue a sticker to be placed on the front windshield of the vehicle. Deletes existing text requiring TxDMV, when TxDMV issues a permit under this section, to issue a sticker to be placed on the front windshield of the vehicle above the inspection certificate issued to the vehicle.

SECTION 82. Amends Section 623.018(d), Transportation Code, as follows:

(d) Prohibits a commissioners court, if a vehicle has a permit issued under Section 623.011 or 623.020, from:

(1) issuing a permit under this section or charging an additional fee for or otherwise regulating or restricting the operation of the vehicle because of weight; or

(2) requiring the owner or operator to execute or comply with a road use agreement or indemnity agreement, to make a filing or application, or to provide a bond or letter of credit other than the bond or letter of credit prescribed by Section 623.012.

SECTION 83. Amends Subchapter B, Chapter 623, Transportation Code, by adding Section 623.020, as follows:

Sec. 623.020. 24-HOUR PERMIT FOR EXCESS AXLE OR GROSS WEIGHT. (a) Authorizes TxDMV to issue a permit that authorizes the operation of a commercial motor vehicle, trailer, semitrailer, or combination of those vehicles, or a truck-tractor or combination of a truck-tractor and one or more other vehicles:

(1) at an axle weight that is not heavier than the weight equal to the maximum allowable axle weight for the vehicle or combination plus a tolerance allowance of 10 percent of that allowable weight; and

(2) at a gross weight that is not heavier than the weight equal to the maximum allowable gross weight for the vehicle or combination plus a tolerance allowance of five percent.

(b) Provides that to qualify for a permit under this section:

(1) the vehicle must be registered under Chapter 502 (Registration of Vehicles) for the maximum gross weight applicable to the vehicle under Section 621.101, not to exceed 80,000 pounds, and the motor carrier must be registered under Chapter 643;

(2) an application must be made in a manner determined by TxDMV by rule; and

(3) a nonrefundable permit fee of \$50 must be paid.

(c) Requires the person, when the person applies for a permit under this section, to pay in addition to the fee described by Subsection (b)(3) an administrative fee adopted by board rule in an amount not to exceed the direct and indirect cost to TxDMV of administering this section.

(d) Provides that a permit issued under this section:

(1) is valid for 24 hours;

(2) must be carried in the vehicle for which it is issued; and

(3) may not be amended, corrected, or transferred.

(e) Authorizes a vehicle operating under a permit issued under this section to exceed the maximum allowable gross weight tolerance allowance by not more than five percent, regardless of the weight of any one axle or tandem axle, if no axle or tandem axle exceeds the tolerance permitted by Subsection (a).

(f) Requires a person, when the person applies for a permit under this section, to designate no more than five counties in which the vehicle will be operated. Provides that a permit issued under this section does not authorize the operation of the vehicle in a county that is not designated in the application.

(g) Prohibits a county, unless otherwise provided by state or federal law, from requiring a permit, fee, or license for the operation of a vehicle holding a permit under this section.

(h) Provides that, of the fee collected under this section for a permit:

(1) 50 percent of the amount collected is required to be deposited to the credit of the state highway fund; and

(2) the other 50 percent is required to be divided among and distributed to the counties designated in permit applications under Subsection (f) according to TxDMV rule.

(i) Requires the comptroller, at least once each fiscal year, to send the amount due each county under Subsection (g) to the county treasurer or officer performing the function of that office for deposit to the credit of the county road and bridge fund.

SECTION 84. Amends Section 623.144, Transportation Code, as follows:

Sec. 623.144. REGISTRATION OF VEHICLE. Prohibits a person from operating a vehicle permitted under this subchapter on a public highway unless the vehicle is registered under Chapter 502 for the maximum gross weight applicable to the vehicle under Section 621.101 or has distinguishing license plates, rather than specialty license plates, as provided by Section 502.146 if applicable to the vehicle.

Deletes Subsection (a) designation and text of existing Subsection (b) prohibiting TxDMV from issuing specialty license plates to a vehicle described by Section 502.146(b)(3) unless the applicant complies with the requirements of that subsection.

SECTION 85. Amends Sections 623.271(a) and (e), Transportation Code, as follows:

(a) Authorizes TxDMV to investigate and, except as provided by Subsection (f), to impose an administrative penalty, revoke an oversize or overweight permit issued under this chapter, or revoke a motor carrier's registration, as provided by Section 643.252 (Administrative Sanctions), if the person or the holder of the permit, as applicable:

(1) provides false information on the permit application or another form required by TxDMV for the issuance of an oversize or overweight permit;

(2) violates this chapter, Chapter 621 (General Provisions Relating to Vehicle Size and Weight), or Chapter 622 (Special Provisions and Exceptions for Oversize or Overweight Vehicles);

(3) violates a rule or order adopted under this chapter, Chapter 621, or Chapter 622; or

(4) fails to obtain an oversize or overweight permit if a permit is required.

(e) Prohibits a person who has been ordered to pay an administrative penalty under this section and the vehicle that is the subject of the enforcement order from being issued a permit under this chapter or a registration, registration renewal, or reregistration of a motor carrier's registration under Chapter 643 until the amount of the penalty has been paid to TxDMV.

SECTION 86. Amends the heading to Section 623.272, Transportation Code, to read as follows:

Sec. 623.272. ADMINISTRATIVE PENALTY FOR FAILURE TO PROVIDE CERTIFICATE OR FOR FALSE INFORMATION ON CERTIFICATE.

SECTION 87. Amends Section 623.272(a), Transportation Code, as follows:

(a) Authorizes TxDMV to investigate and impose an administrative penalty on a shipper who:

(1) does not provide a shipper's certificate of weight required under Section 623.274(b); or

(2) Creates this subdivision from existing text.

SECTION 88. Amends Section 623.274, Transportation Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Requires a shipper, on the written request of the person transporting the shipment, rather than for a shipper's certificate of weight to be valid, to:

(1) certify that the information contained on the certificate of weight is accurate, rather than certify that the information contained on the form is accurate; and

(2) deliver the certificate of weight to the person transporting the shipment, rather than deliver the certificate to the motor carrier or other person transporting the shipment before the motor carrier or other person applies for an overweight permit under this chapter.

(c) Requires a person transporting a shipment to provide TxDMV with a copy of the certificate of weight before the issuance of an overweight permit under this chapter if the combined weight of the vehicle or vehicles and load is more than 200,000 pounds.

SECTION 89. Amends Section 623.322, Transportation Code, as added by Chapter 1135 (H.B. 2741), Acts of the 83rd Legislature, Regular Session, 2013, by adding Subsections (c) and (d), as follows:

(c) Requires TxDMV to issue a sticker to be placed on the front windshield of the vehicle when TxDMV issues a permit under this section. Requires TxDMV to design the form of the sticker to aid in the enforcement of weight limits for vehicles.

(d) Requires the sticker to:

(1) indicate the expiration date of the permit; and

(2) be removed from the vehicle when:

(A) the permit for operation of the vehicle expires;

(B) a lease of the vehicle expires; or

(C) the vehicle is sold.

SECTION 90. Amends Section 623.323(c), Transportation Code, as added by Chapter 1135 (H.B. 2741), Acts of the 83rd Legislature, Regular Session, 2013, as follows:

(c) Requires a financially responsible party to electronically file the notification document described by Subsection (b) with TxDMV under rules adopted by TxDMV not later than the first, rather than second, business day before the first business day listed by the financially responsible party under Subsection (b)(5), provided that the notification document must be filed not later than 24 hours before the earliest time of operation listed by the financially responsible party under Subsection (b)(5). Makes no further change to this subsection.

SECTION 91. Amends Sections 643.054(a-2) and (a-3), Transportation Code, as follows:

(a-2) Authorizes TxDMV to deny a registration if the applicant is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that DPS has determined has an unsatisfactory safety rating under 49 C.F.R. Part 385 or multiple violations of Chapter 644 (Commercial Motor Vehicle Safety Standards), a rule adopted under that chapter, or Subtitle C (Rules of the Road), rather than authorizes TxDMV to deny a registration if the applicant's business is operated, managed, or otherwise controlled by or affiliated with a person, including the applicant, a relative, family member, corporate officer, or shareholder, whom DPS has determined has an unsatisfactory safety rating under 49 C.F.R. Part 385 or multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C.

(a-3) Authorizes TxDMV to deny a registration if the applicant is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family

member, corporate officer, entity, or shareholder, that owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance, or has unpaid administrative penalties assessed under this chapter or Subtitle E, rather than authorizes TxDMV to deny a registration if the applicant is a motor carrier whose business is operated, managed, or otherwise controlled by or affiliated with a person, including an owner, relative, family member, corporate officer, or shareholder, whom DPS has determined an unsatisfactory safety rating under 49 C.F.R. Part 385, or multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C.

SECTION 92. Amends Section 643.056, Transportation Code, by adding Subsection (c), to authorize TxDMV to deny a supplement to a motor carrier's application for registration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that has unpaid administrative penalties assessed under this chapter or Subtitle E.

SECTION 93. Amends Section 643.058, Transportation Code, by adding Subsections (d) and (e), as follows:

(d) Prohibits a motor carrier from renewing a registration that has been expired for more than 180 days. Authorizes the motor carrier to obtain a new registration by complying with the requirements and procedures for obtaining an original registration under this chapter.

(e) Authorizes TxDMV to deny a motor carrier's application to renew a registration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that:

(1) DPS has determined has:

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

(B) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C;

(2) owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance; or

(3) has unpaid administrative penalties assessed under this chapter or Subtitle E (Vehicle Size and Weight).

SECTION 94. Amends Subchapter B, Chapter 643, Transportation Code, by adding Section 643.0585, as follows:

Sec. 643.0585. REREGISTRATION. (a) Authorizes the motor carrier, if a motor carrier's registration has been suspended or revoked, to apply to TxDMV for reregistration not later than the 180th day after the date the registration was suspended or revoked.

(b) Requires that an application for reregistration be submitted on a form prescribed by TxDMV and accompanied by:

(1) a \$10 fee for each vehicle requiring reregistration;

(2) evidence of insurance or financial responsibility as required by Section 643.103(a) (requiring a motor carrier to file with TxDMV evidence of insurance in certain amounts or certain evidence of financial responsibility); and

(3) any insurance filing fee required under Section 643.103(c) (authorizing TxDMV to charge a fee of \$100 for a filing under Subsection (a)).

(c) Authorizes TxDMV to deny a motor carrier's application for reregistration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that:

(1) DPS has determined has:

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

(B) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C;

(2) owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance; or

(3) has unpaid administrative penalties assessed under this chapter or Subtitle E.

SECTION 95. Amends Section 643.059(c), Transportation Code, to require a motor carrier required to register under this subchapter to keep a legible electronic or hard copy of the cab card in the cab of each vehicle requiring registration the carrier operates.

SECTION 96. Amends Section 643.101(b), Transportation Code, as follows:

(b) Authorizes TxDMV by rule, except as provided by this subsection and Section 643.1015 (Amount Required for Certain School Buses), to set the amount of liability insurance required at an amount that does not exceed the amount required for a motor carrier under a federal regulation adopted under 49 U.S.C. Section 13906(a)(1). Authorizes TxDMV to determine the amount if no amount is required under federal law or regulation.

SECTION 97. Amends Section 643.103(b), Transportation Code, to require a motor carrier to keep evidence of insurance in a form, including an electronic form, approved by TxDMV in the cab of each vehicle requiring registration the carrier operates.

SECTION 98. Amends Section 643.153(d), Transportation Code, as follows:

(d) Requires a motor carrier that is required to register under Subchapter B (Registration) and that transports household goods to file a tariff with TxDMV that establishes maximum charges for all transportation services, rather than establishes maximum charges for transportation between two or more municipalities. Authorizes a motor carrier to comply with this requirement by filing, in a manner determined by TxDMV, a copy of the carrier's tariff governing interstate transportation services, rather than the carrier's tariff governing interstate transportation services on a highway between two or more municipalities. Requires TxDMV to make tariffs filed under this subsection available for public inspection, rather than available for public inspection at TxDMV.

SECTION 99. Amends Section 643.252(a), Transportation Code, as follows:

(a) Authorizes TxDMV to suspend, revoke, or deny a registration issued under this chapter or place on probation a motor carrier whose registration is suspended if a motor carrier:

(1) fails to maintain insurance or evidence of financial responsibility as required by Section 643.101(a), (b), or (c), rather than Section 643.101(a), (b), (c), or (d).

(2) and (3) Makes no change to these subdivisions;

(4) violates any other provision of this chapter or Chapter 621 (General Provisions Relating to Vehicle Size and Weight), 622 (Special Provisions and Exceptions for Oversize or Overweight Vehicles), or 623 (Permits for Oversize or Overweight Vehicles);

(5) knowingly provides false information on any form filed with TxDMV under this chapter or Chapter 621, 622, or 623;

(6) violates a rule or order adopted under this chapter or Chapter 621, 622, or 623;
or

(7) is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder:

(A) whose registration has previously been revoked or denied; or

(B) that has unpaid administrative penalties assessed under this chapter or Subtitle E.

Makes nonsubstantive changes.

SECTION 100. Amends Sections 643.2525(k) and (l), Transportation Code, as follows:

(k) Provides that failure to pay the penalty or cost before the 61st day after the date the requirement becomes final, if the motor carrier is required to pay a penalty or cost under Subsection (f), is a violation of this chapter and may result in an additional penalty, revocation or suspension of a motor carrier registration, or denial of a motor carrier registration renewal or reregistration, rather than denial of renewal of a motor carrier registration.

(l) Provides that a motor carrier that is required to pay a penalty, cost, fee, or expense under this section or Section 643.251 (Administrative Penalty) is not eligible for a registration, reregistration, or registration renewal under this chapter until all required amounts have been paid to TxDMV, rather than not eligible for a reinstatement or renewal of registration under this chapter until all required amounts have been paid to TxDMV.

SECTION 101. Amends the heading to Section 643.2526, Transportation Code, to read as follows:

Sec. 643.2526. APPEAL OF DENIAL OF REGISTRATION, RENEWAL, OR REREGISTRATION.

SECTION 102. Amends Section 643.2526(a), Transportation Code, to provide that a denial of an application for registration, renewal of registration, or reregistration under this chapter, notwithstanding any other law, is not required to be preceded by notice and an opportunity for hearing.

SECTION 103. Amends Section 643.253(a), Transportation Code, to provide that a person commits an offense if the person fails to keep a cab card in the cab of a vehicle as required by Section 643.059 (Cab Cards) or comply with an alternative method to the cab card established by TxDMV under Section 643.059(e) (authorizing TxDMV by rule to adopt an alternative method for determining an efficient means of enforcing a certain subchapter).

SECTION 104. Amends the heading to Chapter 645, Transportation Code, to read as follows:

CHAPTER 645. UNIFIED CARRIER REGISTRATION

SECTION 105. Amends Section 645.001, Transportation Code, as follows:

Sec. 645.001. New heading: FEDERAL UNIFIED CARRIER REGISTRATION; DEFINITION. (a) Defines “unified carrier registration plan and agreement.”

(b) Creates this subsection from existing text. Authorizes TxDMV to, to the fullest extent practicable, participate in the unified carrier registration plan and agreement, rather than authorizes TxDMV to, to the fullest extent practicable, participate in a federal motor carrier registration program under the unified carrier registration system as defined by Section 643.001 (Definitions) or a single state registration system established under federal law.

SECTION 106. Amends Section 645.002(b), Transportation Code, to authorize TxDMV to adopt rules regarding the method of payment of a fee required under the unified carrier registration plan and agreement, rather than under this chapter.

SECTION 107. Amends Section 645.003, Transportation Code, as follows:

Sec. 645.003. ENFORCEMENT RULES. (a) Creates this subsection from existing text. Authorizes TxDMV to adopt rules providing for administrative penalties for a failure to register or submit information and documents under the unified carrier registration plan and agreement or for a violation of the unified carrier registration plan and agreement, rather than requires TxDMV to adopt rules that are consistent with federal law providing for administrative penalties and sanctions for a failure to register as required by the unified carrier registration system or single state registration system or for a violation of this chapter a rule adopted under this chapter in the same manner as Subchapter F (Enforcement), Chapter 643.

(b) Provides that the notice, hearing, and other procedural requirements of Section 643.2525 (Administrative Hearing Process) apply to the imposition of an administrative penalty under this section as if the action were being taken under that section.

(c) Provides that the amount of an administrative penalty imposed under this section is calculated in the same manner as the amount of an administrative penalty imposed under Section 643.251 (Administrative Penalty).

SECTION 108. Amends Sections 645.004(a) and (c), Transportation Code, as follows:

(a) Provides that a person commits an offense if the person fails to:

(1) register as required by the unified carrier registration plan and agreement; or

(2) submit information and documents as required by the unified carrier registration plan and agreement.

Deletes existing text providing that a person commits an offense if the person violates a rule adopted under this chapter or fails to register a vehicle required to be registered under this chapter.

(c) Provides that each day a violation occurs, rather than each day a violation of a rule occurs, is a separate offense under this section.

SECTION 109. Amends Section 646.001(2), Transportation Code, to redefine “motor transportation broker.”

SECTION 110. Amends Section 646.002, Transportation Code, as follows:

Sec. 646.002. EXCEPTION. Provides that this chapter does not apply to a motor transportation broker who:

(1) Makes no change to this subdivision; or

(2) is registered as a motor carrier or broker under Chapter 139, Subtitle IV, Title 49, United States Code, rather than holds a permit issued under Subtitle IV, Title 49, United States Code.

SECTION 111. Amends Section 646.003(b), Transportation Code, to increase the amount of the bond from being at least \$10,000 to being at least \$75,000.

SECTION 112. Amends Section 1001.023(b), Transportation Code, to require the chair of the board of TxDMV to report to the governor on the state of affairs of TxDMV at least annually, rather than quarterly.

SECTION 113. Repealer: Section 2301.005(d) (providing that a reference in law other than this chapter to a dealer licensed by the Texas Motor Vehicle Commission or a dealer licensed by the Motor Vehicle Board of the Texas Department of Transportation means a franchised dealer), Occupations Code.

Repealer: Section 2301.005(e) (provides that reference in this chapter to a rule or to a board rule means a rule adopted by the commission, except that certain rules set forth remain in effect until amended or repealed by the commission), Occupations Code.

Repealer: Section 502.1585 (Designation of Registration Period by Owner), Transportation Code.

Repealer: Section 503.001(2) (defining "commission"), Transportation Code.

Repealer: Section 504.202(i) (providing that a license plate with the letters "DV" may be personalized with up to four characters), Transportation Code.

Repealer: Section 621.203(c) (relating to the regulations for a house trailer under this section), Transportation Code.

Repealer: Section 621.203(d) (defining "house trailer" and "towable recreational vehicle"), Transportation Code.

Repealer: Section 643.001(7-a) (defining "unified carrier registration system"), Transportation Code.

Repealer: Section 643.064(a) (requiring TxDMV by rule to provide for the issuance to a motor carrier of an identification number authorized by the federal Motor Carrier Safety Administration), Transportation Code.

Repealer: Section 645.002(a) (authorizing TxDMV to charge a fee for a certain service), Transportation Code.

SECTION 114. (a) Makes application of this Act prospective. Provides that an offense or violation committed before the effective date of this Act is governed by the law in effect on the date the offense or violation was committed, and the former law is continued in effect for that purpose. Provides that an offense or violation, for purposes of this section, was committed before the effective date of this Act if any element of the offense or violation occurred before that date.

(b) Provides that the changes in law made by this Act relating to a complaint or protest filed or a hearing held under Chapter 2301 (Sale or Lease of Motor Vehicles),

Occupations Code, or Chapter 501 (Certificate of Title Act), Transportation Code, apply only to a complaint or protest filed or hearing held under those chapters on or after the effective date of this Act. Provides that a complaint or protest filed or hearing held before that date is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(c) Provides that the changes in law made by this Act relating to an application filed under Chapter 2301, Occupations Code, or Chapters 501, 502 (Registration of Vehicles), 503 (Dealer's and Manufacturer's Vehicle License Plates), 623 (Permits for Oversize or Overweight Vehicles), and 643 (Motor Carrier Registration), Transportation Code, apply only to an application filed under those chapters on or after the effective date of this Act. Provides that an application filed before that date is governed by the law in effect on the date the application was filed, and provides that the former law is continued in effect for that purpose.

SECTION 115. Provides that, to the extent of any conflict, this Act prevails over another Act of the 84th Legislature, Regular Session, 2015, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 116. (a) Effective date: September 1, 2015, except as provided by Subsection (b) of this section.

(b) Provides that Sections 501.134(b) and (c), Transportation Code, as amended by this Act, take effect January 1, 2017.