

By: Paxton

S.B. No. 2076

A BILL TO BE ENTITLED

AN ACT

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

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

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

SUBCHAPTER B-1. DIGITAL LICENSE PLATES

Sec. 504.151. DEFINITIONS. In this subchapter:

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

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

(B) be placed on 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 digital license plates, processing of vehicle registration and collection of registration fees, 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

1 subject to the laws of this state applicable to a physical license
2 plate.

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

5 Sec. 504.154. DIGITAL LICENSE PLATES AUTHORIZED. (a) The
6 board by rule shall allow a vehicle registered under Chapter 502 to
7 be equipped with a digital license plate in lieu of a physical
8 license plate issued under this chapter.

9 (b) The department may contract with a digital license plate
10 provider for the issuance of digital license plates, including any
11 services related to the issuance of digital license plates.

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

14 (1) authorize a digital license plate provider to
15 process vehicle registration transactions on behalf of the
16 department for vehicles issued digital license plates, including
17 the renewal of registration of the vehicle, and require the
18 provider to remit any vehicle registration fees collected to the
19 department in the manner prescribed by the department;

20 (2) authorize the display of the vehicle's
21 registration insignia on each digital license plate issued for the
22 vehicle in lieu of attaching the registration insignia to the
23 inside of the vehicle's windshield as required by Section 502.059;

24 (3) authorize the owner of a vehicle issued a digital
25 license plate to pay a prorated monthly registration fee for the
26 vehicle, to be computed in the manner provided by Section
27 502.044(c); or

1 (4) authorize the owner of a vehicle issued a digital
2 license plate to attach the digital license plate to the rear of the
3 vehicle in lieu of attaching two physical license plates to the
4 vehicle.

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

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

13 (1) meet the specifications and requirements adopted
14 under Subsection (a);

15 (2) include the information required to be included on
16 a physical license plate and legibly display that information at
17 all times and in all light conditions, provided that the license
18 plate may display the information in a smaller typeface when the
19 vehicle is parked; and

20 (3) have wireless connectivity capability.

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

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

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

27 (2) establish procedures for displaying on a digital

1 license plate:

2 (A) an emergency alert or other public safety
3 alert issued by a governmental entity, including an alert
4 authorized under Subchapter L, M, or P, Chapter 411, Government
5 Code;

6 (B) vehicle manufacturer safety recall notices;

7 (C) static logo displays, including unique
8 displays for fleet vehicles; or

9 (D) advertising approved by the department.

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

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

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

19 (A) each issuance of a specialty license plate
20 with restricted distribution, including a license plate authorized
21 under Subchapter C, D, E, or F, must be approved by the department;
22 and

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

25 (i) payable to the department; or

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

1 (3) may contract with the private vendor authorized
2 under Subchapter J to make available a digital version of a
3 personalized license plate authorized for marketing and sale under
4 that subchapter, provided that the contract shall conform with any
5 applicable requirements of Subchapter J and the terms of the
6 private vendor's contract with the department;

7 (4) may process vehicle registration transactions for
8 vehicles issued digital license plates, including the renewal of
9 registration of the vehicle, and shall remit any vehicle
10 registration fees collected to the department in the manner
11 prescribed by the department, if authorized by a rule adopted under
12 Section 504.154(c)(1);

13 (5) shall, if a digital license plate displays a
14 registration insignia as authorized by a rule adopted under Section
15 504.154(c)(2), promptly update the display of the registration
16 insignia to reflect the current registration period for the vehicle
17 and, on request of the department, suspend the display of the
18 registration insignia or indicate on the license plate that the
19 registration insignia for the vehicle is expired;

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

24 (7) may charge a fee, payable in installments, for the
25 issuance of a digital license plate or any additional services
26 provided by the provider for that license plate; and

27 (8) may, at the request of an owner of a vehicle issued

1 a digital license plate and if authorized by a rule adopted under
2 Section 504.154(c)(3), enter into an installment payment agreement
3 with the owner that allows the owner to pay a prorated monthly
4 registration fee for the vehicle.

5 Sec. 504.157. LIABILITY FOR REFUSAL TO PROCESS VEHICLE
6 REGISTRATION. A digital license plate provider authorized to
7 process vehicle registration transactions under this subchapter is
8 not liable to any person for refusing to process a vehicle
9 registration transaction because of the person's failure to provide
10 verification of the person's compliance with Chapter 548.

11 Sec. 504.158. DEFENSE TO PROSECUTION OF CERTAIN OFFENSES.
12 It is a defense to prosecution of an offense involving the operation
13 of a motor vehicle and relating to the placement of a license plate,
14 including the number of license plates required to be displayed on
15 the vehicle, or the display of a registration insignia that the
16 vehicle was operated in compliance with rules issued under this
17 subchapter governing the placement of a digital license plate,
18 including the number of digital license plates required to be
19 displayed on the vehicle, or the display of a registration insignia
20 on a digital license plate, as applicable.

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

26 SECTION 3. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2019.