

By: McClendon, Davis of Dallas, Phillips, H.B. No. 3097  
Harper-Brown, Smith of Tarrant

Substitute the following for H.B. No. 3097:

By: Pickett C.S.H.B. No. 3097

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation, organization, duties, and functions of  
3 the Texas Department of Motor Vehicles; providing penalties.

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

5 ARTICLE 1. TEXAS DEPARTMENT OF MOTOR VEHICLES

6 SECTION 1.01. Title 7, Transportation Code, is amended by  
7 adding Subtitle M to read as follows:

8 SUBTITLE M. DEPARTMENT OF MOTOR VEHICLES

9 CHAPTER 1001. ORGANIZATION OF DEPARTMENT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 1001.001. DEFINITIONS. In this subtitle:

12 (1) "Board" means the board of the department.

13 (2) "Department" means the Texas Department of Motor  
14 Vehicles.

15 Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) The  
16 department is created as an agency of this state.

17 (b) In addition to the other duties required of the Texas  
18 Department of Motor Vehicles, the department shall administer and  
19 enforce:

20 (1) Subtitle A;

21 (2) Chapters 642, 643, 645, 646, and 648; and

22 (3) Chapters 2301 and 2302, Occupations Code.

23 Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department  
24 is composed of an executive director appointed by the board and

1 other employees required to efficiently implement:  
2                   (1) this subtitle;  
3                   (2) other applicable vehicle laws of this state; and  
4                   (3) other laws that grant jurisdiction to or are  
5 applicable to the department.

6                   Sec. 1001.004. DIVISIONS. The board shall organize the  
7 department into divisions to accomplish the department's functions  
8 and the duties assigned to it, including divisions for:

9                   (1) administration;  
10                   (2) motor carriers;  
11                   (3) motor vehicles; and  
12                   (4) vehicle titles and registration.

13                   Sec. 1001.005. SUNSET PROVISION. The department is subject  
14 to Chapter 325, Government Code (Texas Sunset Act). Unless  
15 continued in existence as provided by that chapter, the department  
16 is abolished September 1, 2015.

17                   [Sections 1001.006-1001.020 reserved for expansion]

18                   SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

19                   Sec. 1001.021. BOARD. (a) The board consists of nine  
20 members appointed by the governor with the advice and consent of the  
21 senate. Appointments to the board shall be made without regard to  
22 the race, color, disability, sex, religion, age, or national origin  
23 of the appointees.

24                   (b) Three members shall be appointed to represent motor  
25 vehicle dealers, one of whom must be a new vehicle dealer, one of  
26 whom must be a used vehicle dealer, and one of whom must be a  
27 heavy-duty truck dealer; one member must be a county tax

1 assessor-collector; one member shall be appointed to represent the  
2 motor carrier industry; one member must be a law enforcement  
3 officer; and two members shall be appointed to represent the  
4 general public. The member who is a law enforcement officer may not  
5 be a state employee.

6       (c) A person may not be a public member of the board if the  
7 person or the person's spouse:

8           (1) is registered, certified, or licensed by the  
9 department;

10          (2) is employed by or participates in the management  
11 of a business entity or other organization regulated by or  
12 receiving money from the department;

13          (3) owns or controls, directly or indirectly, more  
14 than a 10 percent interest in a business entity or other  
15 organization regulated by or receiving money from the department;  
16 or

17          (4) uses or receives a substantial amount of tangible  
18 goods, services, or money from the department other than  
19 compensation or reimbursement authorized by law for board  
20 membership, attendance, or expenses.

21        Sec. 1001.022. TERMS. Members of the board serve staggered  
22 six-year terms, with the terms of either one or two members expiring  
23 February 1 of each odd-numbered year.

24        Sec. 1001.023. PRESIDING OFFICER OF BOARD. (a) The  
25 governor shall designate a member of the board as the presiding  
26 officer of the board to serve in that capacity at the pleasure of  
27 the governor.

1                   (b) The presiding officer shall:

2                   (1) preside over board meetings, make rulings on  
3 motions and points of order, and determine the order of business;  
4                   (2) create subcommittees, appoint board members to  
5 subcommittees, and receive the reports of subcommittees to the  
6 board as a whole; and

7                   (3) appoint a member of the board to act in the  
8 presiding officer's absence.

9                   Sec. 1001.024. BOARD MEETINGS. The board shall hold  
10 meetings at least quarterly or at the call of the presiding officer.  
11 Board members shall attend the meetings of the board. The presiding  
12 officer shall oversee the preparation of an agenda for each meeting  
13 and ensure that a copy is provided to each board member at least  
14 seven days before the meeting.

15                   Sec. 1001.025. COMPENSATION. A member of the board is not  
16 entitled to compensation, but each member is entitled to  
17 reimbursement for actual and necessary expenses incurred in  
18 performing functions as a member of the board as provided by the  
19 General Appropriations Act.

20                   Sec. 1001.026. GROUNDS FOR REMOVAL. (a) It is a ground for  
21 removal from the board that a board member:

22                   (1) does not have at the time of taking office the  
23 qualifications required by Section 1001.021;

24                   (2) does not maintain during service on the board the  
25 qualifications required by Section 1001.021;

26                   (3) is ineligible for membership under Section  
27 1001.021(c), 1001.031, or 1001.043;

1                   (4) cannot, because of illness or disability,  
2 discharge the member's duties for a substantial part of the member's  
3 term; or

4                   (5) is absent from more than half of the regularly  
5 scheduled board meetings that the member is eligible to attend  
6 during a calendar year without an excuse approved by a majority  
7 vote of the board.

8                   (b) The validity of an action of the board is not affected by  
9 the fact that it is taken when a ground for removal of a board member  
10 exists.

11                  (c) If the executive director of the department has  
12 knowledge that a potential ground for removal exists, the executive  
13 director shall notify the presiding officer of the board of the  
14 potential ground. The presiding officer shall then notify the  
15 governor and the attorney general that a potential ground for  
16 removal exists. If the potential ground for removal involves the  
17 presiding officer, the executive director shall notify the next  
18 highest ranking officer of the board, who shall then notify the  
19 governor and the attorney general that a potential ground for  
20 removal exists.

21                  Sec. 1001.027. TRAINING ON DEPARTMENT AND CERTAIN LAWS  
22 RELATING TO DEPARTMENT. (a) A person who is appointed to and  
23 qualifies for office as a member of the board may not vote,  
24 deliberate, or be counted as a member in attendance at a meeting of  
25 the board until the person completes a training program that  
26 complies with this section.

27                  (b) The training program must provide the person with

1 information regarding:

2                   (1) the legislation that created the department;

3                   (2) the programs, functions, rules, and budget of the  
4 department;

5                   (3) the results of the most recent formal audit of the  
6 department;

7                   (4) the requirements of laws relating to open  
8 meetings, public information, administrative procedure, and  
9 conflicts-of-interest; and

10                   (5) any applicable ethics policies adopted by the  
11 department or the Texas Ethics Commission.

12                   (c) A person appointed to the board is entitled to  
13 reimbursement, as provided by the General Appropriations Act, for  
14 the travel expenses incurred in attending the training program  
15 regardless of whether the attendance at the program occurs before  
16 or after the person qualifies for office.

17                   Sec. 1001.028. TECHNOLOGICAL SOLUTIONS. The board shall  
18 implement a policy requiring the department to use appropriate  
19 technological solutions to improve the department's ability to  
20 perform its functions. The policy must ensure that the public is  
21 able to interact with the department on the Internet.

22                   Sec. 1001.029. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE  
23 RESOLUTION PROCEDURES. (a) The board shall develop and implement a  
24 policy to encourage the use of:

25                   (1) negotiated rulemaking procedures under Chapter  
26 2008, Government Code, for the adoption of department rules; and

27                   (2) appropriate alternative dispute resolution

1 procedures under Chapter 2009, Government Code, to assist in the  
2 resolution of internal and external disputes under the department's  
3 jurisdiction.

4       (b) The department's procedures relating to alternative  
5 dispute resolution must conform, to the extent possible, to any  
6 model guidelines issued by the State Office of Administrative  
7 Hearings for the use of alternative dispute resolution by state  
8 agencies.

9       (c) The board shall designate a trained person to:

10       (1) coordinate the implementation of the policy  
11 adopted under Subsection (a);

12       (2) serve as a resource for any training needed to  
13 implement the procedures for negotiated rulemaking or alternative  
14 dispute resolution; and

15       (3) collect data concerning the effectiveness of those  
16 procedures, as implemented by the department.

17       Sec. 1001.030. ADVISORY COMMITTEES. (a) The board shall  
18 establish separate advisory committees for the motor carrier, motor  
19 vehicles, and vehicle titles and registration divisions to make  
20 recommendations to the board or the executive director on the  
21 operation of the applicable division. A committee has the  
22 purposes, powers, and duties, including the manner of reporting its  
23 work, prescribed by the board. A committee and each committee  
24 member serves at the will of the board.

25       (b) The board shall appoint persons to each advisory  
26 committee who:

27       (1) are selected from a list provided by the executive

1 director; and

2                   (2) have knowledge about and interests in, and  
3 represent a broad range of viewpoints about, the work of the  
4 committee or applicable division.

5                   (c) The advisory committee for the motor vehicles division  
6 must include a member to represent motor vehicle manufacturers and  
7 a member to represent the recreational vehicle industry.

8                   (d) The advisory committee for the motor carrier division  
9 must include a member to represent the motor transportation  
10 industry.

11                  (e) A member of an advisory committee may not be compensated  
12 by the board or the department for committee service.

13                  Sec. 1001.031. CONFLICTS OF INTEREST. (a) In this section,  
14 "Texas trade association" means a cooperative and voluntarily  
15 joined statewide association of business or professional  
16 competitors in this state designed to assist its members and its  
17 industry or profession in dealing with mutual business or  
18 professional problems and in promoting their common interest.

19                  (b) A person may not be a member of the board and may not be a  
20 department employee employed in a "bona fide executive,  
21 administrative, or professional capacity," as that phrase is used  
22 for purposes of establishing an exemption to the overtime  
23 provisions of the federal Fair Labor Standards Act of 1938 (29  
24 U.S.C. Section 201 et seq.) if:

25                  (1) the person is an officer, employee, or paid  
26 consultant of a Texas trade association in the field of motor  
27 dealers or motor carriers; or

1                   (2) the person's spouse is an officer, manager, or paid  
2 consultant of a Texas trade association in the motor vehicle or  
3 motor carrier industry or of a tax assessor-collector or law  
4 enforcement trade association.

5                   (c) A person may not be a member of the board or act as the  
6 general counsel to the board or the department if the person is  
7 required to register as a lobbyist under Chapter 305, Government  
8 Code, because of the person's activities for compensation on behalf  
9 of a profession related to the operation of the department.

10                  Sec. 1001.032. COOPERATION WITH TEXAS DEPARTMENT OF  
11 TRANSPORTATION. The board and the Texas Transportation Commission  
12 shall establish mutually agreeable procedures to ensure that the  
13 Texas Department of Transportation has access to information  
14 contained in the electronic database of vehicle titles and  
15 registrations as needed for toll operations and other functions of  
16 the Texas Department of Transportation.

17                  [Sections 1001.033-1001.040 reserved for expansion]

18                  SUBCHAPTER C. PERSONNEL

19                  Sec. 1001.041. DIVISION OF RESPONSIBILITIES. The board  
20 shall develop and implement policies that clearly separate the  
21 policymaking responsibilities of the board and the management  
22 responsibilities of the executive director and the staff of the  
23 department.

24                  Sec. 1001.042. APPLICATION OF LAW RELATING TO ETHICAL  
25 CONDUCT. The board, the executive director, and each employee or  
26 agent of the department is subject to the code of ethics and the  
27 standard of conduct imposed by Chapter 572, Government Code, and

1 any other law regulating the ethical conduct of state officers and  
2 employees.

3 Sec. 1001.043. LOBBYING ACTIVITIES. A person may not serve  
4 as the executive director or act as the general counsel to the  
5 department if the person is required to register as a lobbyist under  
6 Chapter 305, Government Code, because of the person's activities  
7 for compensation on behalf of an occupation related to the  
8 operation of the department.

9 CHAPTER 1002. RULES

10 Sec. 1002.001. GENERAL RULEMAKING AUTHORITY. The board may  
11 adopt any rules necessary and appropriate to implement the powers  
12 and duties of the department under this code and other laws of this  
13 state.

14 CHAPTER 1003. PUBLIC ACCESS

15 Sec. 1003.001. PUBLIC COMMENT. The board shall develop and  
16 implement policies that provide the public with a reasonable  
17 opportunity to appear before the board and to speak on any issue  
18 under the jurisdiction of the department.

19 Sec. 1003.002. COMPLAINT PROCEDURES. (a) The department  
20 shall maintain a system to promptly and efficiently act on  
21 complaints filed with the department. The department shall  
22 maintain information about parties to the complaint, the subject  
23 matter of the complaint, a summary of the results of the review or  
24 investigation of the complaint, and its disposition.

25 (b) The department shall make information available  
26 describing its procedures for complaint investigation and  
27 resolution.

(c) The department shall periodically notify the complaint parties of the status of the complaint until final disposition.

## ARTICLE 2. TRANSFER OF DUTIES AND FUNCTIONS OF THE TEXAS DEPARTMENT OF TRANSPORTATION

## PART A. GENERAL PROVISIONS AND ADMINISTRATION

SECTION 2A.01. Section 201.202(a), Transportation Code, is amended to read as follows:

8                   (a) The commission shall organize the department into  
9 divisions to accomplish the department's functions and the duties  
10 assigned to it, including divisions for:

11 (1) aviation;

12 (2) highways and roads; and

13 (3) public transportation[~~;~~ and]

14 [(4) motor vehicle titles and re

15 SECTION 2A.02. Section 201.931(2), Transportation Code, is  
16 amended to read as follows:

17 (2) "License" includes:

18 (A) a permit issued by the department that  
19 authorizes the operation of a vehicle and its load or a combination  
20 of vehicles and load exceeding size or weight limitations; and

21 (B) [a motor carrier registration issued under  
22 Chapter 643.]

23 [+(C) a vehicle storage facility license issued  
24 under Chapter 2303, Occupations Code.]

25 [+] a license or permit for outdoor advertising  
26 issued under Chapter 391 or 394 [+]

[F] a salvage vehicle dealer or agent license

1 ~~issued under Chapter 2302, Occupations Code,~~  
2 ~~[F) specially designated or specialized license~~  
3 ~~plates issued under Subchapters E and F, Chapter 502; and~~  
4 ~~[G) an apportioned registration issued~~  
5 ~~according to the International Registration Plan under Section~~  
6 ~~502.054].~~

7 SECTION 2A.03. Section 222.001, Transportation Code, is  
8 amended to read as follows:

9 Sec. 222.001. USE OF STATE HIGHWAY FUND. (a) Money that is  
10 required to be used for public roadways by the Texas Constitution or  
11 federal law and that is deposited in the state treasury to the  
12 credit of the state highway fund, including money deposited to the  
13 credit of the state highway fund under Title 23, United States Code,  
14 may be used only:

15 (1) to improve the state highway system;  
16 (2) to mitigate adverse environmental effects that  
17 result directly from construction or maintenance of a state highway  
18 by the department; or  
19 (3) by the Department of Public Safety to police the  
20 state highway system and to administer state laws relating to  
21 traffic and safety on public roads.

22 (b) For any state fiscal year, the Texas Department of Motor  
23 Vehicles may not be appropriated more than \$100 million from money  
24 in the state highway fund.

25 PART B. STATE HIGHWAY TOLL PROJECTS

26 SECTION 2B.01. Sections 228.055(b) and (h), Transportation  
27 Code, are amended to read as follows:

(b) The department may impose and collect the administrative fee, so as to recover the cost of collecting the unpaid toll, not to exceed \$100. The department shall send a written notice of nonpayment to the registered owner of the vehicle at that owner's address as shown in the vehicle registration records of the Texas Department of Motor Vehicles [department] by first class mail and may require payment not sooner than the 30th day after the date the notice was mailed. The registered owner shall pay a separate toll and administrative fee for each event of nonpayment under Section 228.054.

11 (h) In this section, "registered owner" means the owner of a  
12 vehicle as shown on the vehicle registration records of the Texas  
13 Department of Motor Vehicles [~~Department~~] or the analogous  
14 department or agency of another state or country.

15 SECTION 2B.02. Section 228.056(b), Transportation Code, is  
16 amended to read as follows:

17 (b) In the prosecution of an offense under Section  
18 228.055(c), (d), or (e);

19 (1) it is presumed that the notice of nonpayment was  
20 received on the fifth day after the date of mailing:

21 (2) a computer record of the Texas Department of Motor  
22 Vehicles [department] of the registered owner of the vehicle is  
23 prima facie evidence of its contents and that the defendant was the  
24 registered owner of the vehicle when the underlying event of  
25 nonpayment under Section 228.054 occurred: and

26 (3) a copy of the rental, lease, or other contract  
27 document covering the vehicle on the date of the underlying event of

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1 nonpayment under Section 228.054 is *prima facie* evidence of its  
2 contents and that the defendant was the lessee of the vehicle when  
3 the underlying event of nonpayment under Section 228.054 occurred.

4 PART C. CAUSEWAYS, BRIDGES, TUNNELS, TURNPIKES, FERRIES, AND  
5 HIGHWAYS IN CERTAIN COUNTIES

6 SECTION 2C.01. Sections 284.0701(b), (e), and (h),  
7 Transportation Code, are amended to read as follows:

19 (e) It is an exception to the application of Subsection (a)  
20 or (c) if the registered owner of the vehicle transferred ownership  
21 of the vehicle to another person before the event of nonpayment  
22 under Section 284.070 occurred, submitted written notice of the  
23 transfer to the Texas Department of Motor Vehicles [department] in  
24 accordance with Section 520.023, and before the 30th day after the  
25 date the notice of nonpayment is mailed, provides to the county the  
26 name and address of the person to whom the vehicle was transferred.  
27 If the former owner of the vehicle provides the required

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1 information within the period prescribed, the county may send a  
2 notice of nonpayment to the person to whom ownership of the vehicle  
3 was transferred at the address provided by the former owner by  
4 first-class mail before the 30th day after the date of receipt of  
5 the required information from the former owner. The subsequent  
6 owner of the vehicle for which the proper toll was not paid who is  
7 mailed a written notice of nonpayment under this subsection and  
8 fails to pay the proper toll and administrative cost within the time  
9 specified by the notice of nonpayment commits an offense. The  
10 subsequent owner shall pay a separate toll and administrative cost  
11 for each event of nonpayment under Section 284.070. Each failure to  
12 pay a toll or administrative cost under this subsection is a  
13 separate offense.

14 (h) In this section, "registered owner" means the owner of a  
15 vehicle as shown on the vehicle registration records of the Texas  
16 Department of Motor Vehicles [~~department~~] or the analogous  
17 department or agency of another state or country.

PART D. CERTIFICATE OF TITLE ACT

19 SECTION 2D.01. Section 501.002(3), Transportation Code, is  
20 amended to read as follows:

21 (3) "Department" means the Texas Department of Motor  
22 Vehicles [Transportation].

23 SECTION 2D.02. Section 501.091, Transportation Code, is  
24 amended by amending Subdivision (17) and adding Subdivision (20) to  
25 read as follows:

26 (17) "Salvage vehicle dealer" means a person engaged  
27 in this state in the business of acquiring, selling, [~~dismantling~~,]

1 repairing, rebuilding, reconstructing, or otherwise dealing in  
2 nonrepairable motor vehicles or [or] salvage motor vehicles[~~, or~~  
3 ~~used parts~~]. The term does not include a person who casually  
4 repairs, rebuilds, or reconstructs fewer than five [~~three~~] salvage  
5 motor vehicles in the same calendar year or a person who deals in  
6 used automotive parts. The term includes a person engaged in the  
7 business of:

8 (A) a salvage vehicle dealer, regardless of  
9 whether the person holds a license issued by the department to  
10 engage in that business; or  
11 (B) dealing in nonrepairable motor vehicles or  
12 salvage motor vehicles[~~, regardless of whether the person deals in~~  
13 ~~used parts~~; or

14 [~~(C) dealing in used parts regardless of whether~~  
15 ~~the person deals in nonrepairable motor vehicles or salvage motor~~  
16 ~~vehicles~~].

17 (20) "Used parts dealer" and "used automotive parts  
18 recycler" have the meaning assigned to "used automotive parts  
19 recycler" by Section 2309.002, Occupations Code.

20 SECTION 2D.03. Section 501.092(d), Transportation Code, is  
21 amended to read as follows:

22 (d) An insurance company may sell a motor vehicle to which  
23 this section applies, or assign a salvage vehicle title or a  
24 nonrepairable vehicle title for the motor vehicle, only to a  
25 salvage vehicle dealer, an out-of-state buyer, a buyer in a casual  
26 sale at auction, [~~or~~] a metal recycler, or a used automotive parts  
27 recycler. If the motor vehicle is not a salvage motor vehicle or a

1 nonrepairable motor vehicle, the insurance company is not required  
2 to surrender the regular certificate of title for the vehicle or to  
3 be issued a salvage vehicle title or a nonrepairable vehicle title  
4 for the motor vehicle.

5 SECTION 2D.04. Sections 501.095(a) and (b), Transportation  
6 Code, are amended to read as follows:

7 (a) If the department has not issued a nonrepairable vehicle  
8 title or salvage vehicle title for the motor vehicle and an  
9 out-of-state ownership document for the motor vehicle has not been  
10 issued by another state or jurisdiction, a business or governmental  
11 entity described by Subdivisions (1)-(3) may sell, transfer, or  
12 release a nonrepairable motor vehicle or salvage motor vehicle only  
13 to a person who is:

14 (1) a licensed salvage vehicle dealer, a used  
15 automotive parts recycler under Chapter 2309, Occupations Code, or  
16 a metal recycler under Chapter 2302, Occupations Code;

17 (2) an insurance company that has paid a claim on the  
18 nonrepairable or salvage motor vehicle;

19 (3) a governmental entity; or  
20 (4) an out-of-state buyer.

21 (b) A person, other than a salvage vehicle dealer, a used  
22 automotive parts recycler, or an insurance company licensed to do  
23 business in this state, who acquired ownership of a nonrepairable  
24 or salvage motor vehicle that has not been issued a nonrepairable  
25 vehicle title, salvage vehicle title, or a comparable ownership  
26 document issued by another state or jurisdiction shall, before  
27 selling the motor vehicle, surrender the properly assigned

1 certificate of title for the motor vehicle to the department and  
2 apply to the department for:

3 (1) a nonrepairable vehicle title if the vehicle is a  
4 nonrepairable motor vehicle; or

5 (2) a salvage vehicle title if the vehicle is a salvage  
6 motor vehicle.

7 SECTION 2D.05. Section 501.105, Transportation Code, is  
8 amended to read as follows:

9 Sec. 501.105. RETENTION OF RECORDS RELATING TO CERTAIN  
10 CASUAL SALES. Each licensed salvage vehicle dealer, used  
11 automotive parts recycler, or insurance company that sells a  
12 nonrepairable motor vehicle or a salvage motor vehicle at a casual  
13 sale shall keep on the business premises of the dealer or the  
14 insurance company a list of all casual sales made during the  
15 preceding 36-month period that contains:

16 (1) the date of the sale;

17 (2) the name of the purchaser;

18 (3) the name of the jurisdiction that issued the  
19 identification document provided by the purchaser, as shown on the  
20 document; and

21 (4) the vehicle identification number.

22 PART E. REGISTRATION OF VEHICLES

23 SECTION 2E.01. Section 502.001(3), Transportation Code, is  
24 amended to read as follows:

25 (3) "Department" means the Texas Department of Motor  
26 Vehicles [~~Transportation~~].

27 SECTION 2E.02. Sections 502.053(a) and (b), Transportation

1 Code, are amended to read as follows:

2 (a) The department [~~Texas Department of Transportation~~] shall reimburse the Texas Department of Criminal Justice for the 3 cost of manufacturing license plates or registration insignia as 4 the license plates or insignia and the invoice for the license 5 plates or insignia are delivered to the department [~~Texas 6 Department of Transportation~~].

7 (b) When manufacturing is started, the Texas Department of 8 Criminal Justice, the department [~~Texas Department of 9 Transportation~~], and the comptroller, after negotiation, shall set 10 the price to be paid for each license plate or insignia. The price 11 must be determined from:

12 (1) the cost of metal, paint, and other materials 13 purchased;

14 (2) the inmate maintenance cost per day;

15 (3) overhead expenses;

16 (4) miscellaneous charges; and

17 (5) a previously approved amount of profit for the 18 work.

19 PART F. DEALER'S AND MANUFACTURER'S VEHICLE LICENSE PLATES

20 SECTION 2F.01. Sections 503.001(2) and (5), Transportation 21 Code, are amended to read as follows:

22 (2) "Commission" means the board of the Texas 23 Department of Motor Vehicles [~~Texas Transportation Commission~~].

24 (5) "Department" means the Texas Department of Motor 25 Vehicles [~~Transportation~~].

1 PART G. MISCELLANEOUS PROVISIONS

2 SECTION 2G.01. Section 520.001, Transportation Code, is  
3 amended to read as follows:

4 Sec. 520.001. DEFINITION. In this chapter, "department"  
5 means the Texas Department of Motor Vehicles [~~Transportation~~].

6 PART H. OPERATION OF BICYCLES, MOPEDS, AND PLAY VEHICLES

7 SECTION 2H.01. Section 551.302, Transportation Code, is  
8 amended to read as follows:

9                   Sec. 551.302. REGISTRATION. The Texas Department of Motor  
10 Vehicles [Transportation] may adopt rules relating to the  
11 registration and issuance of license plates to neighborhood  
12 electric vehicles.

13 PART I. MOTOR VEHICLE SAFETY RESPONSIBILITY ACT

14 SECTION 2I.01. Section 601.023, Transportation Code, is  
15 amended to read as follows:

16 Sec. 601.023. PAYMENT OF STATUTORY FEES. The department  
17 may pay:

18 (1) a statutory fee required by the Texas Department  
19 of Motor Vehicles [Transportation] for a certified abstract or in  
20 connection with suspension of a vehicle registration; or

21 (2) a statutory fee payable to the comptroller for  
22 issuance of a certificate of deposit required by Section 601.122.

23 SECTION 21.02. Section 601.451, Transportation Code, as  
24 added by Chapter 892 (S.B. 1670), Acts of the 79th Legislature,  
25 Regular Session, 2005, is amended to read as follows:

26 Sec. 601.451. DEFINITION. In this subchapter,  
27 "implementing agencies" means:

6 SECTION 21.03. Subchapter N, Chapter 601, Transportation  
7 Code, as added by Chapter 1325 (H.B. 3588), Acts of the 78th  
8 Legislature, Regular Session, 2003, is repealed.

9 PART J. IDENTIFYING MARKINGS ON CERTAIN COMMERCIAL MOTOR VEHICLES

10 SECTION 2J.01. Section 642.002(d), Transportation Code, is  
11 amended to read as follows:

12 (d) The Texas Department of Motor Vehicles [~~Transportation~~]  
13 by rule may prescribe additional requirements regarding the form of  
14 the markings required by Subsection (a)(2) that are not  
15 inconsistent with that subsection.

16 PART K. MOTOR CARRIER REGISTRATION

17 SECTION 2K.01. Section 643.001(1), Transportation Code, is  
18 amended to read as follows:

19 (1) "Department" means the Texas Department of Motor  
20 Vehicles [Transportation].

21 PART I - SINGLE STATE REGISTRATION

22 SECTION 2L.01. Section 645.001, Transportation Code, is  
23 amended to read as follows:

24 Sec. 645.001. FEDERAL MOTOR CARRIER REGISTRATION. The  
25 Texas Department of Motor Vehicles [~~Transportation~~] may, to the  
26 fullest extent practicable, participate in a federal motor carrier  
27 registration program under the unified carrier registration system

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1 as defined by Section 643.001 or a [the] single state registration  
2 system established under federal law [49 U.S.C. Section 14504].

#### PART M. MOTOR TRANSPORTATION BROKERS

4 SECTION 2M.01. Section 646.003(a), Transportation Code, is  
5 amended to read as follows:

6                   (a) A person may not act as a motor transportation broker  
7 unless the person provides a bond to the Texas Department of Motor  
8 Vehicles [~~Transportation~~].

PART N. FOREIGN COMMERCIAL MOTOR TRANSPORTATION

10 SECTION 2N.01. Section 648.002, Transportation Code, is  
11 amended to read as follows:

12 Sec. 648.002. RULES. In addition to rules required by this  
13 chapter, the Texas Department of Motor Vehicles [~~Transportation~~],  
14 the Department of Public Safety, and the Texas Department of  
15 Insurance may adopt other rules to carry out this chapter.

PART O. ABANDONED MOTOR VEHICLES

17 SECTION 20.01. Section 683.001(1), Transportation Code, is  
18 amended to read as follows:

19 (1) "Department" means the Texas Department of Motor  
20 Vehicles [~~Transportation~~].

PART P. CONTRACTS FOR ENFORCEMENT OF CERTAIN ARREST WARRANTS

22 SECTION 2P.01. Section 702.001(1), Transportation Code, is  
23 amended to read as follows:

24 (1) "Department" means the Texas Department of Motor  
25 Vehicles [~~Transportation~~].

PART O. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEM

27 SECTION 20.01. Section 707.001(2), Transportation Code, is

1 amended to read as follows:

2 (2) "Owner of a motor vehicle" means the owner of a  
3 motor vehicle as shown on the motor vehicle registration records of  
4 the Texas Department of Motor Vehicles ~~[Transportation]~~ or the  
5 analogous department or agency of another state or country.

6 SECTION 2Q.02. Section 707.011(b), Transportation Code, is  
7 amended to read as follows:

8 (b) Not later than the 30th day after the date the violation  
9 is alleged to have occurred, the designated department, agency, or  
10 office of the local authority or the entity with which the local  
11 authority contracts under Section 707.003(a)(1) shall mail the  
12 notice of violation to the owner at:

13 (1) the owner's address as shown on the registration  
14 records of the Texas Department of Motor Vehicles ~~[Transportation]~~;  
15 or

16 (2) if the vehicle is registered in another state or  
17 country, the owner's address as shown on the motor vehicle  
18 registration records of the department or agency of the other state  
19 or country analogous to the Texas Department of Motor Vehicles  
20 ~~[Transportation]~~.

21 SECTION 2Q.03. Section 707.017, Transportation Code, is  
22 amended to read as follows:

23 Sec. 707.017. ENFORCEMENT. If the owner of a motor vehicle  
24 is delinquent in the payment of a civil penalty imposed under this  
25 chapter, the county assessor-collector or the Texas Department of  
26 Motor Vehicles ~~[Transportation]~~ may refuse to register a motor  
27 vehicle alleged to have been involved in the violation.

1       PART R. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY  
2       SECTION 2R.01. Section 1(3), Article 4413(37), Revised  
3 Statutes, is amended to read as follows:

4               (3) "Office" [~~Department~~] means the office of the  
5 governor [~~Texas Department of Transportation~~].

6       SECTION 2R.02. Section 2, Article 4413(37), Revised  
7 Statutes, is amended to read as follows:

8               Sec. 2. ESTABLISHMENT OF AUTHORITY. The Automobile Burglary  
9 and Theft Prevention Authority is established in the office of the  
10 governor [~~Texas Department of Transportation~~]. The authority is  
11 not an advisory body to the governor [~~Texas Department of~~  
12 ~~Transportation~~].

13       SECTION 2R.03. Sections 3(h) and (1), Article 4413(37),  
14 Revised Statutes, are amended to read as follows:

15               (h) If a person [~~the director~~] has knowledge that a  
16 potential ground for removal exists, the person [~~director~~] shall  
17 notify the presiding officer of the authority of the potential  
18 ground. The presiding officer shall then notify the governor and  
19 the attorney general that a potential ground for removal exists. If  
20 the potential ground for removal involves the presiding officer,  
21 the person [~~director~~] shall notify the next highest officer of the  
22 authority, who shall notify the governor and the attorney general  
23 that a potential ground for removal exists.

24               (l) The governor's [~~director or the director's~~] designee  
25 shall provide to members of the authority, as often as necessary,  
26 information regarding their qualifications for office under this  
27 article and their responsibilities under applicable laws relating

1 to standards of conduct for state officers.

2 SECTION 2R.04. Section 5(d), Article 4413(37), Revised  
3 Statutes, is amended to read as follows:

4 (d) The training program required by Subsection (c) must  
5 provide information to the person regarding:

6 (1) the enabling legislation that created the  
7 authority and its policymaking body to which the member is  
8 appointed to serve;

9 (2) the programs operated by the authority;

10 (3) the role and functions of the authority;

11 (4) the rules of the authority ~~[and the department]~~;

12 (5) the current budget for the authority;

13 (6) the results of the most recent formal audit of the  
14 authority;

15 (7) the requirements of the:

16 (A) open meetings law, Chapter 551, Government  
17 Code;

18 (B) open records law, Chapter 552, Government  
19 Code; and

20 (C) administrative procedure law, Chapter 2001,  
21 Government Code;

22 (8) the requirements of the conflict-of-interest laws  
23 and other laws relating to public officials; and

24 (9) any applicable ethics policies adopted by the  
25 office ~~[department]~~ or the Texas Ethics Commission.

26 SECTION 2R.05. Section 6, Article 4413(37), Revised  
27 Statutes, is amended by amending Subsections (c), (d), (e), (f),

1 and (g) and adding Subsections (j) and (k) to read as follows:

2 (c) The authority may use only staff of the office  
3 ~~[department]~~ and may delegate authority to the staff as needed.

4 (d) Not later than April 1 of each year, the authority shall  
5 report on its activities to the governor, the lieutenant governor,  
6 and the speaker of the house of representatives.

7 (e) The authority may be provided various services only by  
8 or through the office ~~[department]~~ as needed to carry out its  
9 purposes, powers, and duties. These services may include, but are  
10 not limited to, legal services not provided by the attorney  
11 general, fiscal services, administrative services, and personnel  
12 services. Except as provided by this section, the authority may  
13 enter into contracts in its own name and on its own behalf with  
14 recipients of grants for purposes of this article.

15 (f) The office ~~[department]~~ shall provide personnel and  
16 services to the authority as agreed by the authority and the office  
17 ~~[department]~~.

18 (g) The authority shall, in coordination with the office  
19 ~~[department]~~, develop and implement policies that clearly separate  
20 the policymaking responsibilities of the authority and the  
21 management responsibilities of the office ~~[department]~~.

22 (j) In addition to any report required under Subsection (i),  
23 each year the authority shall prepare and submit an annual  
24 financial report in the form and manner required of a state agency  
25 by Section 2101.011, Government Code.

26 (k) The authority may not make a grant of appropriated funds  
27 unless the grant application is submitted to and approved by the

1 governor, or a person in the office of the governor designated by  
2 the governor.

3 SECTION 2R.06. Section 8(a), Article 4413(37), Revised  
4 Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B.  
5 3225), Acts of the 80th Legislature, Regular Session, 2007, is  
6 reenacted and amended to read as follows:

7 (a) Money appropriated to the office [~~department~~] for  
8 authority purposes shall be used by the authority to pay the office  
9 [~~department~~] for administrative costs and to achieve the purposes  
10 of this article, including:

11 (1) establishing and funding the motor vehicle  
12 registration program required by Section 9 of this article;

13 (2) providing financial support to law enforcement  
14 agencies for economic motor vehicle theft enforcement teams;

15 (3) providing financial support to law enforcement  
16 agencies, local prosecutors, judicial agencies, and neighborhood,  
17 community, business, and nonprofit organizations for programs  
18 designed to reduce the incidence of economic motor vehicle theft;

19 (4) conducting educational programs designed to  
20 inform motor vehicle owners of methods of preventing motor vehicle  
21 burglary or theft;

22 (5) providing equipment, for experimental purposes,  
23 to assist motor vehicle owners in preventing motor vehicle burglary  
24 or theft; and

25 (6) establishing a uniform program to prevent stolen  
26 motor vehicles from entering Mexico.

27 SECTION 2R.07. Section 8, Article 4413(37), Revised

1 Statutes, is amended by amending Subsection (c) and adding  
2 Subsections (d) and (e) to read as follows:

3 (c) The cost of personnel and services provided to the  
4 authority by the office ~~[department]~~ and by the attorney general  
5 may be paid only from appropriations made for authority purposes.  
6 Appropriations made for authority purposes may not be used for any  
7 other purpose.

8 (d) Money received by the authority under this article shall  
9 be sent to the comptroller for deposit in a separate account in the  
10 treasury.

11 (e) As part of the appropriation process the legislature  
12 shall determine and in the General Appropriations Act the  
13 legislature shall specify the amount of money the authority may use  
14 to make grants or provide financial assistance under this article  
15 during each of the state fiscal years covered by the General  
16 Appropriations Act.

17 SECTION 2R.08. Section 9(e), Article 4413(37), Revised  
18 Statutes, is amended to read as follows:

19 (e) The Department of Public Safety ~~[department]~~ shall  
20 issue to the owner of a motor vehicle registered under this section  
21 a decal or other appropriate identifying marker to be affixed to the  
22 motor vehicle to indicate that the motor vehicle is registered with  
23 the program.

24 SECTION 2R.09. Section 1(4), Article 4413(37), Revised  
25 Statutes, is repealed.

1 ARTICLE 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF  
2 TRANSPORTATION IN OTHER CODES

3 PART A. BUSINESS & COMMERCE CODE

4 SECTION 3A.01. Section 51.003(b), Business & Commerce Code,  
5 as effective April 1, 2009, is amended to read as follows:

6 (b) In this chapter, "business opportunity" does not  
7 include:

8 (1) the sale or lease of an established and ongoing  
9 business or enterprise that has actively conducted business before  
10 the sale or lease, whether composed of one or more than one  
11 component business or enterprise, if the sale or lease represents  
12 an isolated transaction or series of transactions involving a bona  
13 fide change of ownership or control of the business or enterprise or  
14 liquidation of the business or enterprise;

15 (2) a sale by a retailer of goods or services under a  
16 contract or other agreement to sell the inventory of one or more  
17 ongoing leased departments to a purchaser who is granted the right  
18 to sell the goods or services within or adjoining a retail business  
19 establishment as a department or division of the retail business  
20 establishment;

21 (3) a transaction that is:

22 (A) regulated by the Texas Department of  
23 Licensing and Regulation, the Texas Department of Insurance, the  
24 Texas Real Estate Commission, or the director of the Motor Vehicle  
25 Division of the Texas Department of Motor Vehicles  
26 [~~Transportation~~]; and

27 (B) engaged in by a person licensed by one of

1 those agencies;

2 (4) a real estate syndication;

3 (5) a sale or lease to a business enterprise that also

4 sells or leases products, equipment, or supplies or performs

5 services:

6 (A) that are not supplied by the seller; and

7 (B) that the purchaser does not use with the

8 seller's products, equipment, supplies, or services;

9 (6) the offer or sale of a franchise as described by

10 the Petroleum Marketing Practices Act (15 U.S.C. Section 2801 et

11 seq.) and its subsequent amendments;

12 (7) the offer or sale of a business opportunity if the

13 seller:

14 (A) has a net worth of \$25 million or more

15 according to the seller's audited balance sheet as of a date not

16 earlier than the 13th month before the date of the transaction; or

17 (B) is at least 80 percent owned by another

18 person who:

19 (i) in writing unconditionally guarantees

20 performance by the person offering the business opportunity plan;

21 and

22 (ii) has a net worth of more than \$25

23 million according to the person's most recent audited balance sheet

24 as of a date not earlier than the 13th month before the date of the

25 transaction; or

26 (8) an arrangement defined as a franchise by 16 C.F.R.

27 Section 436.2(a) and its subsequent amendments if:

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1 (A) the franchisor complies in all material  
2 respects in this state with 16 C.F.R. Part 436 and each order or  
3 other action of the Federal Trade Commission; and

4 (B) before offering for sale or selling a  
5 franchise in this state, a person files with the secretary of state  
6 a notice containing:

7 (i) the name of the franchisor;  
8 (ii) the name under which the franchisor  
9 intends to transact business; and

10 (iii) the franchisor's principal business  
11 address.

14 (b) The Texas Department of Motor Vehicles [~~Transportation~~]  
15 shall provide a notice that states the provisions of this chapter to  
16 each person with a disability who is issued:

17 (1) license plates under Section 504.201,  
18 Transportation Code; or

19 (2) a disabled parking placard under Section 681.004,  
20 Transportation Code.

## PART B. CODE OF CRIMINAL PROCEDURE

22 SECTION 3B.01. Section 1(1), Article 42.22, Code of  
23 Criminal Procedure, is amended to read as follows:

24 (1) "Department" means the Texas Department of Motor  
25 Vehicles [Transportation].

26 SECTION 3B.02. Article 59.04(c), Code of Criminal  
27 Procedure, is amended to read as follows:

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25 PART C. FAMILY CODE

26 SECTION 3C.01. Section 157.316(b), Family Code, is amended  
27 to read as follows:

14 SECTION 3C.02. Section 232.0022(a), Family Code, is amended  
15 to read as follows:

16                   (a) The Texas Department of Motor Vehicles [~~Transportation~~]  
17 is the appropriate licensing authority for suspension or nonrenewal  
18 of a motor vehicle registration under this chapter.

19 SECTION 3C.03. Section 232.014(b), Family Code, is amended  
20 to read as follows:

21 (b) A fee collected by the Texas Department of Motor  
22 Vehicles [~~Transportation~~] or the Department of Public Safety shall  
23 be deposited to the credit of the state highway fund.

24 SECTION 3C.04. Section 264.502(b), Family Code, is amended  
25 to read as follows:

26 (b) The members of the committee who serve under Subsections  
27 (a)(1) through (3) shall select the following additional committee

1 members:

2 (1) a criminal prosecutor involved in prosecuting  
3 crimes against children;

4 (2) a sheriff;

5 (3) a justice of the peace;

6 (4) a medical examiner;

7 (5) a police chief;

8 (6) a pediatrician experienced in diagnosing and  
9 treating child abuse and neglect;

10 (7) a child educator;

11 (8) a child mental health provider;

12 (9) a public health professional;

13 (10) a child protective services specialist;

14 (11) a sudden infant death syndrome family service  
15 provider;

16 (12) a neonatologist;

17 (13) a child advocate;

18 (14) a chief juvenile probation officer;

19 (15) a child abuse prevention specialist;

20 (16) a representative of the Department of Public  
21 Safety; and

22 (17) a representative of the Texas Department of Motor  
23 Vehicles [~~Transportation~~].

24 PART D. FINANCE CODE

25 SECTION 3D.01. Section 306.001(9), Finance Code, is amended  
26 to read as follows:

27 (9) "Qualified commercial loan":

1 (A) means:

2 (i) a commercial loan in which one or more  
3 persons as part of the same transaction lends, advances, borrows,  
4 or receives, or is obligated to lend or advance or entitled to  
5 borrow or receive, money or credit with an aggregate value of:

6 (a) \$3 million or more if the  
7 commercial loan is secured by real property; or

8 (b) \$250,000 or more if the commercial  
9 loan is not secured by real property and, if the aggregate value of  
10 the commercial loan is less than \$500,000, the loan documents  
11 contain a written certification from the borrower that:

12 (1) the borrower has been  
13 advised by the lender to seek the advice of an attorney and an  
14 accountant in connection with the commercial loan; and

15 (2) the borrower has had the  
16 opportunity to seek the advice of an attorney and accountant of the  
17 borrower's choice in connection with the commercial loan; and

18 (ii) a renewal or extension of a commercial  
19 loan described by Subparagraph (i) [~~Paragraph (A)~~], regardless of  
20 the principal amount of the loan at the time of the renewal or  
21 extension; and

22 (B) does not include a commercial loan made for  
23 the purpose of financing a business licensed by the Motor Vehicle  
24 Board of the Texas Department of Motor Vehicles [~~Transportation~~]  
25 under Section 2301.251(a), Occupations Code.

26 SECTION 3D.02. Section 348.001(10-a), Finance Code, is  
27 amended to read as follows:

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(10-a) "Towable recreation vehicle" means a nonmotorized vehicle that:

3 (A) was originally designed and manufactured  
4 primarily to provide temporary human habitation in conjunction with  
5 recreational, camping, or seasonal use;

6 (B) is titled and registered with the Texas  
7 Department of Motor Vehicles [Transportation] as a travel trailer  
8 through a county tax assessor-collector;

9 (C) is permanently built on a single chassis;  
10 (D) contains at least one life support system;

12 (E) is designed to be towable by a motor vehicle.  
13 SECTION 3D.03. Section 348.518, Finance Code, is amended to  
14

15 Sec. 348.518. SHARING OF INFORMATION. To ensure consistent  
16 enforcement of law and minimization of regulatory burdens, the  
17 commissioner and the Texas Department of Motor Vehicles  
18 [~~Transportation~~] may share information, including criminal history  
19 information, relating to a person licensed under this chapter.  
20 Information otherwise confidential remains confidential after it  
21 is shared under this section.

22 PART E. GOVERNMENT CODE

23 SECTION 3E.01. Section 411.122(d), Government Code, is  
24 amended to read as follows:

25 (d) The following state agencies are subject to this  
26 section:

(1) Texas Appraiser Licensing and Certification

1 Board;

2 (2) Texas Board of Architectural Examiners;

3 (3) Texas Board of Chiropractic Examiners;

4 (4) State Board of Dental Examiners;

5 (5) Texas Board of Professional Engineers;

6 (6) Texas Funeral Service Commission;

7 (7) Texas Board of Professional Geoscientists;

8 (8) Department of State Health Services, except as

9 provided by Section 411.110, and agencies attached to the

10 department, including:

11 (A) Texas State Board of Examiners of Dietitians;

12 (B) Texas State Board of Examiners of Marriage

13 and Family Therapists;

14 (C) Midwifery Board;

15 (D) Texas State Perfusionist Advisory Committee

16 [Board of Examiners of Perfusionists];

17 (E) Texas State Board of Examiners of

18 Professional Counselors;

19 (F) Texas State Board of Social Worker Examiners;

20 (G) State Board of Examiners for Speech-Language

21 Pathology and Audiology;

22 (H) Advisory Board of Athletic Trainers;

23 (I) State Committee of Examiners in the Fitting

24 and Dispensing of Hearing Instruments;

25 (J) Texas Board of Licensure for Professional

26 Medical Physicists; and

27 (K) Texas Board of Orthotics and Prosthetics;

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1 (9) Texas Board of Professional Land Surveying;  
2 (10) Texas Department of Licensing and Regulation,  
3 except as provided by Section 411.093;  
4 (11) Texas Commission on Environmental Quality;  
5 (12) Texas Board of Occupational Therapy Examiners;  
6 (13) Texas Optometry Board;  
7 (14) Texas State Board of Pharmacy;  
8 (15) Texas Board of Physical Therapy Examiners;  
9 (16) Texas State Board of Plumbing Examiners;  
10 (17) Texas State Board of Podiatric Medical Examiners;  
11 (18) Polygraph Examiners Board;  
12 (19) Texas State Board of Examiners of Psychologists;  
13 (20) Texas Real Estate Commission;  
14 (21) Board of Tax Professional Examiners;  
15 (22) Texas Department of Transportation;  
16 (23) State Board of Veterinary Medical Examiners;  
17 (24) Texas Department of Housing and Community  
18 Affairs;  
19 (25) secretary of state;  
20 (26) state fire marshal;  
21 (27) Texas Education Agency; ~~and~~  
22 (28) Department of Agriculture; and  
23 (29) Texas Department of Motor Vehicles.

## PART E. HEALTH AND SAFETY CODE

25 SECTION 3F.01. Section 382.209(e), Health and Safety Code,  
26 is amended to read as follows:

27 (e) A vehicle is not eligible to participate in a low-income

1 vehicle repair assistance, retrofit, and accelerated vehicle  
2 retirement program established under this section unless:

3 (1) the vehicle is capable of being operated;

4 (2) the registration of the vehicle:

5 (A) is current; and

6 (B) reflects that the vehicle has been registered  
7 in the county implementing the program for the 12 months preceding  
8 the application for participation in the program;

9 (3) the commissioners court of the county  
10 administering the program determines that the vehicle meets the  
11 eligibility criteria adopted by the commission, the Texas  
12 Department of Motor Vehicles [~~Transportation~~], and the Public  
13 Safety Commission;

14 (4) if the vehicle is to be repaired, the repair is  
15 done by a repair facility recognized by the Department of Public  
16 Safety, which may be an independent or private entity licensed by  
17 the state; and

18 (5) if the vehicle is to be retired under this  
19 subsection and Section 382.213, the replacement vehicle is a  
20 qualifying motor vehicle.

21 SECTION 3F.02. Section 382.210(f), Health and Safety Code,  
22 is amended to read as follows:

23 (f) In this section, "total cost" means the total amount of  
24 money paid or to be paid for the purchase of a motor vehicle as set  
25 forth as "sales price" in the form entitled "Application for Texas  
26 Certificate of Title" promulgated by the Texas Department of Motor  
27 Vehicles [~~Transportation~~]. In a transaction that does not involve

1 the use of that form, the term means an amount of money that is  
2 equivalent, or substantially equivalent, to the amount that would  
3 appear as "sales price" on the Application for Texas Certificate of  
4 Title if that form were involved.

5 SECTION 3F.03. Section 461.017(a), Health and Safety Code,  
6 is amended to read as follows:

7 (a) The Drug Demand Reduction Advisory Committee is  
8 composed of the following members:

9 (1) five representatives of the public from different  
10 geographic regions of the state who have knowledge and expertise in  
11 issues relating to reducing drug demand and who are appointed by the  
12 commissioner [~~executive director~~] of the Department of State Health  
13 Services [~~Texas Commission on Alcohol and Drug Abuse~~]; and

14 (2) one representative of each of the following  
15 agencies or offices who is appointed by the executive director or  
16 commissioner of the agency or office and who is directly involved in  
17 the agency's or office's policies, programs, or funding activities  
18 relating to reducing drug demand:

19 (A) the criminal justice division of the  
20 governor's office;

21 (B) the Criminal Justice Policy Council;

22 (C) the Department of Family and Protective [~~and~~  
23 ~~Regulatory~~] Services;

24 (D) the Department of Public Safety of the State  
25 of Texas;

26 (E) the Health and Human Services Commission;

27 (F) the Texas Alcoholic Beverage Commission;

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1 (G) the Department of State Health Services  
2 [Texas Commission on Alcohol and Drug Abuse];  
3 (H) the Advisory Committee to the Texas Board of  
4 Criminal Justice [Texas Council] on Offenders with Medical or  
5 Mental Impairments;  
6 (I) the Texas Department of Criminal Justice;  
7 (J) the [Texas Department of] Health and [+  
8 [+K) the Texas Department of] Human Services  
9 Commission;  
10 (K) [(I)] the [Texas] Department of Aging and  
11 Disability Services [Mental Health and Mental Retardation];  
12 (L) [(M)] the Texas Education Agency;  
13 (M) [(N)] the Texas Juvenile Probation  
14 Commission;  
15 (N) [(O)] the Texas Youth Commission;  
16 (O) [(P)] the Department of Assistive and  
17 Rehabilitative Services [Texas Rehabilitation Commission];  
18 (P) [(Q)] the Texas Workforce Commission;  
19 (Q) [(R)] the Texas Department of Motor Vehicles  
20 [Transportation];  
21 (R) [(S)] the comptroller of public accounts;  
22 and  
23 (S) [(T)] the adjutant general's department.

## PART G. HUMAN RESOURCES CODE

25 SECTION 3G.01. Section 22.041, Human Resources Code, is  
26 amended to read as follows:

27 Sec. 22.041. THIRD-PARTY INFORMATION. Notwithstanding any

1 other provision of this code, the department may use information  
2 obtained from a third party to verify the assets and resources of a  
3 person for purposes of determining the person's eligibility and  
4 need for medical assistance, financial assistance, or nutritional  
5 assistance. Third-party information includes information obtained  
6 from:

7 (1) a consumer reporting agency, as defined by Section  
8 20.01, Business & Commerce Code;

9 (2) an appraisal district; or

10 (3) the Texas Department of Motor Vehicles  
11 [~~Transportation's~~] vehicle registration record database.

12 SECTION 3G.02. Section 32.026(g), Human Resources Code, is  
13 amended to read as follows:

14 (g) Notwithstanding any other provision of this code, the  
15 department may use information obtained from a third party to  
16 verify the assets and resources of a person for purposes of  
17 determining the person's eligibility and need for medical  
18 assistance. Third-party information includes information obtained  
19 from:

20 (1) a consumer reporting agency, as defined by Section  
21 20.01, Business & Commerce Code;

22 (2) an appraisal district; or

23 (3) the Texas Department of Motor Vehicles  
24 [~~Transportation's~~] vehicle registration record database.

25 PART H. LOCAL GOVERNMENT CODE

26 SECTION 3H.01. Section 130.006, Local Government Code, is  
27 amended to read as follows:

1 Sec. 130.006. PROCEDURES FOR COLLECTION OF DISHONORED  
2 CHECKS AND INVOICES. A county tax assessor-collector may establish  
3 procedures for the collection of dishonored checks and credit card  
4 invoices. The procedures may include:

5 (1) official notification to the maker that the check  
6 or invoice has not been honored and that the receipt, registration,  
7 certificate, or other instrument issued on the receipt of the check  
8 or invoice is not valid until payment of the fee or tax is made;

9 (2) notification of the sheriff or other law  
10 enforcement officers that a check or credit card invoice has not  
11 been honored and that the receipt, registration, certificate, or  
12 other instrument held by the maker is not valid; and

13 (3) notification to the Texas Department of Motor  
14 Vehicles [~~Transportation~~], the comptroller of public accounts, or  
15 the Department of Public Safety that the receipt, registration,  
16 certificate, or other instrument held by the maker is not valid.

17 SECTION 3H.02. Section 130.007, Local Government Code, is  
18 amended to read as follows:

19 Sec. 130.007. REMISSION TO STATE NOT REQUIRED; STATE  
20 ASSISTANCE IN COLLECTION. (a) If a fee or tax is required to be  
21 remitted to the comptroller or the Texas Department of Motor  
22 Vehicles [~~Transportation~~] and if payment was made to the county tax  
23 assessor-collector by a check that was not honored by the drawee  
24 bank or by a credit card invoice that was not honored by the credit  
25 card issuer, the amount of the fee or tax is not required to be  
26 remitted, but the assessor-collector shall notify the appropriate  
27 department of:

(1) the amount of the fee or tax;

(2) the type of fee or tax involved; and

(3) the name and address of the maker.

(b) The Texas Department of Motor Vehicles [~~Transportation~~]

5 and the comptroller shall assist the county tax assessor-collector  
6 in collecting the fee or tax and may cancel or revoke any receipt,  
7 registration, certificate, or other instrument issued in the name  
8 of the state conditioned on the payment of the fee or tax.

9 SECTION 3H.03. Section 130.008, Local Government Code, is  
10 amended to read as follows:

Sec. 130.008. LIABILITY OF TAX COLLECTOR FOR VIOLATIONS OF SUBCHAPTER. If the comptroller or the Texas Department of Motor Vehicles ~~Transportation~~ determines that the county tax assessor-collector has accepted payment for fees and taxes to be remitted to that department in violation of Section 130.004 or that more than two percent of the fees and taxes to be received from the assessor-collector are not remitted because of the acceptance of checks that are not honored by the drawee bank or of credit card invoices that are not honored by the credit card issuer, the department may notify the assessor-collector that the assessor-collector may not accept a check or credit card invoice for the payment of any fee or tax to be remitted to that department. A county tax assessor-collector who accepts a check or credit card invoice for the payment of a fee or tax, after notice that the assessor-collector may not receive a check or credit card invoice for the payment of fees or taxes to be remitted to a department, is liable to the state for the amount of the check or credit card

1 invoice accepted.

2 SECTION 3H.04. Section 130.009, Local Government Code, is  
3 amended to read as follows:

4 Sec. 130.009. STATE RULES. The comptroller and the Texas  
5 Department of Motor Vehicles [~~Transportation~~] may make rules  
6 concerning the acceptance of checks or credit card invoices by a  
7 county tax assessor-collector and for the collection of dishonored  
8 checks or credit card invoices.

9 PART I. OCCUPATIONS CODE

10 SECTION 3I.01. Section 554.009(c), Occupations Code, is  
11 amended to read as follows:

12 (c) The board may register a vehicle with the Texas  
13 Department of Motor Vehicles [~~Transportation~~] in an alias name only  
14 for investigative personnel.

15 SECTION 3I.02. Section 2301.002(9), Occupations Code, is  
16 amended to read as follows:

17 (9) "Department" means the Texas Department of Motor  
18 Vehicles [~~Transportation~~].

19 SECTION 3I.03. Sections 2301.005(a) and (b), Occupations  
20 Code, are amended to read as follows:

21 (a) A reference in law, including a rule, to the Texas Motor  
22 Vehicle Commission or to the board means [~~the director, except that~~  
23 ~~a reference to~~] the board of the Texas Department of Motor Vehicles  
24 [~~means the commission if it is related to the adoption of rules~~].

25 (b) A reference in law, including a rule, to the executive  
26 director of the Texas Motor Vehicle Commission means the executive  
27 director of the Texas Department of Motor Vehicles.

1 SECTION 3I.04. Sections 2302.001(2), (3), and (6),  
2 Occupations Code, are amended to read as follows:

3 (2) "Board" [~~"Commission"~~] means the board of the  
4 Texas Department of Motor Vehicles [~~Transportation Commission~~].

5 (3) "Department" means the Texas Department of Motor  
6 Vehicles [~~Transportation~~].

7 (6) "Salvage vehicle agent" means a person who  
8 acquires, sells, or otherwise deals in nonrepairable or salvage  
9 motor vehicles or used parts in this state as directed by the  
10 salvage vehicle dealer under whose license the person operates.

11 The term does not include a person who:

12 (A) is a licensed salvage vehicle dealer or a  
13 licensed used automotive parts recycler;

14 (B) is a partner, owner, or officer of a business  
15 entity that holds a salvage vehicle dealer license or a used  
16 automotive parts recycler license;

17 (C) is an employee of a licensed salvage vehicle  
18 dealer or a licensed used automotive parts recycler; or

19 (D) only transports salvage motor vehicles for a  
20 licensed salvage vehicle dealer or a licensed used automotive parts  
21 recycler.

22 SECTION 3I.05. Section 2302.0015(b), Occupations Code, is  
23 amended to read as follows:

24 (b) For the purpose of enforcing or administering this  
25 chapter or Chapter 501 or 502, Transportation Code, a member of the  
26 board [~~commission~~], an employee or agent of the board [~~commission~~]  
27 or department, a member of the Public Safety Commission, an officer

1 of the Department of Public Safety, or a peace officer may at a  
2 reasonable time:

3 (1) enter the premises of a business regulated under  
4 one of those chapters; and

5 (2) inspect or copy any document, record, vehicle,  
6 part, or other item regulated under one of those chapters.

7 SECTION 3I.06. Subchapter A, Chapter 2302, Occupations  
8 Code, is amended by adding Section 2302.008 to read as follows:

9 Sec. 2302.008. APPLICABILITY OF CHAPTER TO USED AUTOMOTIVE  
10 PARTS RECYCLERS. This chapter does not apply to a used automotive  
11 parts recycler licensed under Chapter 2309.

12 SECTION 3I.07. Subchapter B, Chapter 2302, Occupations  
13 Code, is amended to read as follows:

14 SUBCHAPTER B. BOARD [~~COMMISSION~~] POWERS AND DUTIES

15 Sec. 2302.051. RULES AND ENFORCEMENT POWERS. The board  
16 [~~commission~~] shall adopt rules as necessary to administer this  
17 chapter and may take other action as necessary to enforce this  
18 chapter.

19 Sec. 2302.052. DUTY TO SET FEES. The board [~~commission~~]  
20 shall set application fees, license fees, renewal fees, and other  
21 fees as required to implement this chapter. The board [~~commission~~]  
22 shall set the fees in amounts reasonable and necessary to implement  
23 and enforce this chapter.

24 Sec. 2302.053. RULES RESTRICTING ADVERTISING OR  
25 COMPETITIVE BIDDING. (a) The board [~~commission~~] may not adopt a  
26 rule under Section 2302.051 restricting advertising or competitive  
27 bidding by a person who holds a license issued under this chapter

1 except to prohibit false, misleading, or deceptive practices by the  
2 person.

3 (b) The board [~~commission~~] may not include in its rules to  
4 prohibit false, misleading, or deceptive practices a rule that:

5 (1) restricts the use of any advertising medium;

6 (2) restricts the person's personal appearance or use  
7 of the person's voice in an advertisement;

8 (3) relates to the size or duration of an  
9 advertisement by the person; or

10 (4) restricts the use of a trade name in advertising by  
11 the person.

12 SECTION 3I.08. Section 2302.103(b), Occupations Code, is  
13 amended to read as follows:

14 (b) An applicant may apply for a salvage vehicle dealer  
15 license with an endorsement in one or more of the following  
16 classifications:

17 (1) new automobile dealer;

18 (2) used automobile dealer;

19 (3) [~~used vehicle parts dealer~~;

20 [~~4~~] salvage pool operator;

21 (4) [~~5~~] salvage vehicle broker; or

22 (5) [~~6~~] salvage vehicle rebuilder.

23 SECTION 3I.09. Section 2302.108(b), Occupations Code, is  
24 amended to read as follows:

25 (b) The board [~~commission~~] by rule shall establish the  
26 grounds for denial, suspension, revocation, or reinstatement of a  
27 license issued under this chapter and the procedures for

1 disciplinary action. A rule adopted under this subsection may not  
2 conflict with a rule adopted by the State Office of Administrative  
3 Hearings.

4 SECTION 3I.10. Section 2302.204, Occupations Code, is  
5 amended to read as follows:

6 Sec. 2302.204. CASUAL SALES. This chapter does not apply to  
7 a person who purchases fewer than three nonrepairable motor  
8 vehicles or salvage motor vehicles from a salvage vehicle dealer,  
9 an insurance company or salvage pool operator in a casual sale at  
10 auction, except that:

11 (1) the board [commission] shall adopt rules as  
12 necessary to regulate casual sales by salvage vehicle dealers,  
13 insurance companies, or salvage pool operators and to enforce this  
14 section; and

15 (2) a salvage vehicle dealer, insurance company, or  
16 salvage pool operator who sells a motor vehicle in a casual sale  
17 shall comply with those rules and Subchapter E, Chapter 501,  
18 Transportation Code.

19 SECTION 3I.11. (a) Subtitle A, Title 14, Occupations Code,  
20 is amended by adding Chapter 2309 to read as follows:

21 CHAPTER 2309. USED AUTOMOTIVE PARTS RECYCLERS

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 2309.001. SHORT TITLE. This chapter may be cited as  
24 the Texas Used Automotive Parts Recycling Act.

25 Sec. 2309.002. DEFINITIONS. In this chapter:

26 (1) "Insurance company," "metal recycler," "motor  
27 vehicle," "nonrepairable motor vehicle," "nonrepairable vehicle

1 title," "salvage motor vehicle," "salvage vehicle title," and  
2 "salvage vehicle dealer" have the meanings assigned by Section  
3 501.091, Transportation Code.

4 (2) "Commission" means the Texas Commission of  
5 Licensing and Regulation.

6 (3) "Department" means the Texas Department of  
7 Licensing and Regulation.

8 (4) "Executive director" means the executive director  
9 of the department.

10 (5) "Used automotive part" has the meaning assigned to  
11 "used part" by Section 501.091, Transportation Code.

12 (6) "Used automotive parts recycler" means a person  
13 licensed under this chapter to operate a used automotive parts  
14 recycling business.

15 (7) "Used automotive parts recycling" means the  
16 dismantling and reuse or resale of used automotive parts and the  
17 safe disposal of salvage motor vehicles or nonrepairable motor  
18 vehicles, including the resale of those vehicles.

19 Sec. 2309.003. APPLICABILITY OF CHAPTER TO METAL RECYCLERS.

20 (a) Except as provided by Subsection (b), this chapter does not  
21 apply to a transaction to which a metal recycler is a party.

22 (b) This chapter applies to a transaction in which a motor  
23 vehicle:

24 (1) is sold, transferred, released, or delivered to a  
25 metal recycler as a source of used automotive parts; and

26 (2) is used as a source of used automotive parts.

27 Sec. 2309.004. APPLICABILITY OF CHAPTER TO SALVAGE VEHICLE

1 DEALERS. (a) Except as provided by Subsection (b), this chapter  
2 does not apply to a transaction in which a salvage vehicle dealer is  
3 a party.

4 (b) This chapter applies to a transaction in which a motor  
5 vehicle:

6 (1) is sold, transferred, released, or delivered to a  
7 salvage vehicle dealer as a source of used automotive parts; and  
8 (2) is used as a source of used automotive parts.

9 Sec. 2309.005. APPLICABILITY OF CHAPTER TO INSURANCE  
10 COMPANIES. This chapter does not apply to an insurance company.

11 [Sections 2309.006-2309.050 reserved for expansion]

12 SUBCHAPTER B. ADVISORY BOARD

13 Sec. 2309.051. USED AUTOMOTIVE PARTS RECYCLING ADVISORY  
14 BOARD. (a) The advisory board consists of six members representing  
15 the used automotive parts industry in this state appointed by the  
16 presiding officer of the commission with the approval of the  
17 commission.

18 (b) The advisory board shall include members who represent  
19 used automotive parts businesses owned by domestic entities, as  
20 defined by Section 1.002, Business Organizations Code.

21 (c) The advisory board shall include one member who  
22 represents a used automotive parts business owned by a foreign  
23 entity, as defined by Section 1.002, Business Organizations Code.

24 (d) Appointments to the advisory board shall be made without  
25 regard to the race, color, disability, sex, religion, age, or  
26 national origin of the appointee.

27 Sec. 2309.052. TERMS; VACANCIES. (a) Advisory board

1 members serve terms of six years, with the terms of two members  
2 expiring on February 1 of each odd-numbered year.

3       (b) A member may not serve more than two full consecutive  
4 terms.

5       (c) If a vacancy occurs during a term, the presiding officer  
6 of the commission shall appoint a replacement who meets the  
7 qualifications of the vacated position to serve for the remainder  
8 of the term.

9       Sec. 2309.053. PRESIDING OFFICER. The presiding officer of  
10 the commission shall appoint one of the advisory board members to  
11 serve as presiding officer of the advisory board for a term of one  
12 year. The presiding officer of the advisory board may vote on any  
13 matter before the advisory board.

14       Sec. 2309.054. POWERS AND DUTIES OF ADVISORY BOARD. The  
15 advisory board shall provide advice and recommendations to the  
16 department on technical matters relevant to the administration and  
17 enforcement of this chapter, including licensing standards,  
18 continuing education requirements, and examination content, if  
19 applicable.

20       Sec. 2309.055. COMPENSATION; REIMBURSEMENT OF EXPENSES.  
21 Advisory board members may not receive compensation but are  
22 entitled to reimbursement for actual and necessary expenses  
23 incurred in performing the functions of the advisory board, subject  
24 to the General Appropriations Act.

25       Sec. 2309.056. MEETINGS. The advisory board shall meet  
26 twice annually and may meet at other times at the call of the  
27 presiding officer of the commission or the executive director.

1                   [Sections 2309.057-2309.100 reserved for expansion]

2                   SUBCHAPTER C. POWERS AND DUTIES OF COMMISSION AND DEPARTMENT

3                   Sec. 2309.101. GENERAL POWERS AND DUTIES. The executive  
4                   director or commission, as appropriate, may take action as  
5                   necessary to administer and enforce this chapter.

6                   Sec. 2309.102. RULES. (a) The commission shall adopt  
7                   rules for licensing used automotive parts recyclers.

8                   (b) The commission by rule shall adopt standards of conduct  
9                   for license holders under this chapter.

10                   Sec. 2309.103. EXAMINATION OF CRIMINAL CONVICTION. The  
11                   department may conduct an examination of any criminal conviction of  
12                   an applicant, including by obtaining any criminal history record  
13                   information permitted by law.

14                   Sec. 2309.104. FEES. The commission shall establish and  
15                   collect reasonable and necessary fees in amounts sufficient to  
16                   cover the costs of administering this chapter.

17                   Sec. 2309.105. RULES            RESTRICTING            ADVERTISING            OR  
18                   COMPETITIVE BIDDING. (a) The commission may not adopt a rule  
19                   restricting advertising or competitive bidding by a person who  
20                   holds a license issued under this chapter except to prohibit false,  
21                   misleading, or deceptive practices by the person.

22                   (b) The commission may not include in its rules to prohibit  
23                   false, misleading, or deceptive practices a rule that:

24                    (1) restricts the use of any advertising medium;  
25                    (2) restricts the person's personal appearance or use  
26                   of the person's voice in an advertisement;  
27                    (3) relates to the size or duration of an

1 advertisement by the person; or

2                   (4) restricts the use of a trade name in advertising by  
3 the person.

4                   Sec. 2309.106. PERIODIC AND RISK-BASED INSPECTIONS. (a)

5                   The department may enter and inspect at any time during business  
6 hours:

7                   (1) the place of business of any person regulated  
8 under this chapter; or

9                   (2) any place in which the department has reasonable  
10 cause to believe that a license holder is in violation of this  
11 chapter or in violation of a rule or order of the commission or  
12 executive director.

13                   (b) The department shall conduct additional inspections  
14 based on a schedule of risk-based inspections using the following  
15 criteria:

16                   (1) the type and nature of the used automotive parts  
17 recycler;

18                   (2) the inspection history;

19                   (3) any history of complaints involving a used  
20 automotive parts recycler; and

21                   (4) any other factor determined by the commission by  
22 rule.

23                   (c) A used automotive parts recycler shall pay a fee for  
24 each risk-based inspection performed under this section. The  
25 commission by rule shall set the amount of the fee.

26                   (d) In conducting an inspection under this section, the  
27 department may inspect a facility, a used automotive part, a

1 business record, or any other place or thing reasonably required to  
2 enforce this chapter or a rule or order adopted under this chapter.

3 Sec. 2309.107. PERSONNEL. The department may employ  
4 personnel necessary to administer and enforce this chapter.

5 [Sections 2309.108-2309.150 reserved for expansion]

6 SUBCHAPTER D. LICENSE REQUIREMENTS

7 Sec. 2309.151. LICENSE REQUIRED. Unless the person holds  
8 an appropriate license issued under this chapter, a person may not  
9 own or operate a used automotive parts recycling business or sell  
10 used automotive parts.

11 Sec. 2309.152. GENERAL LICENSE APPLICATION REQUIREMENTS.  
12 An applicant for a license under this chapter must submit to the  
13 department:

14 (1) a completed application on a form prescribed by  
15 the executive director;  
16 (2) the required fees; and  
17 (3) any other information required by commission rule.

18 Sec. 2309.153. LICENSE REQUIREMENTS. An applicant for a  
19 license under this chapter must:

20 (1) establish proof of financial responsibility in the  
21 manner prescribed by the executive director;  
22 (2) provide proof of ownership or lease of the  
23 property where the applicant will operate a used automotive parts  
24 recycling facility; and  
25 (3) provide a storm water permit if the applicant is  
26 required by the Texas Commission on Environmental Quality to obtain  
27 a permit.

1        Sec. 2309.154. NONTRANSFERABILITY OF LICENSE. A license  
2        issued by the executive director is valid throughout this state and  
3        is not transferable.

4        Sec. 2309.155. CONTINUING EDUCATION. (a) The commission by  
5        rule shall recognize or prepare and administer continuing education  
6        programs for license holders. Each license holder must complete a  
7        continuing education program before the license holder may renew  
8        the license holder's license.

9        (b) A person recognized by the commission to offer a  
10        continuing education program must:

11        (1) register with the department; and  
12        (2) comply with rules adopted by the commission  
13        relating to continuing education.

14        Sec. 2309.156. LICENSE RENEWAL. (a) A license issued under  
15        this chapter is valid for one year. The department may adopt a  
16        system under which licenses expire at different times during the  
17        year.

18        (b) The department shall notify the license holder at least  
19        30 days before the date a license expires. The notice must be in  
20        writing and sent to the license holder's last known address  
21        according to the records of the department.

22        (c) A license holder may renew a license issued under this  
23        chapter by:

24        (1) paying a renewal fee;  
25        (2) providing to the department evidence of financial  
26        responsibility;  
27        (3) providing proof of ownership or lease of the

1 property where the license holder operates a used automotive parts  
2 recycling facility;

3 (4) providing a storm water permit if the license  
4 holder is required by the Texas Commission on Environmental Quality  
5 to obtain a permit; and

6 (5) completing continuing education as required by  
7 Section 2309.155.

8 [Sections 2309.157-2309.200 reserved for expansion]

9 SUBCHAPTER E. LOCAL REGULATION

10 Sec. 2309.201. APPLICABILITY OF CERTAIN MUNICIPAL  
11 ORDINANCES, LICENSES, AND PERMITS. (a) The requirements of this  
12 chapter apply in addition to the requirements of any applicable  
13 municipal ordinance relating to the regulation of a person who  
14 deals in nonrepairable or salvage motor vehicles or used automotive  
15 parts.

16 (b) This chapter does not prohibit the enforcement of an  
17 applicable municipal license or permit requirement that is related  
18 to an activity regulated under this chapter.

19 [Sections 2309.202-2309.250 reserved for expansion]

20 SUBCHAPTER F. ENFORCEMENT

21 Sec. 2309.251. ADMINISTRATIVE PENALTY. (a) The commission  
22 may impose an administrative penalty on a person under Subchapter  
23 F, Chapter 51, regardless of whether the person holds a license  
24 under this chapter, if the person violates:

25 (1) this chapter or a rule adopted under this chapter;  
26 or

27 (2) a rule or order of the executive director or

1 commission.

2       (b) An administrative penalty may not be imposed unless the  
3 person charged with a violation is provided the opportunity for a  
4 hearing.

5       Sec. 2309.252. CEASE AND DESIST ORDER; INJUNCTION; CIVIL  
6 PENALTY. (a) The executive director may issue a cease and desist  
7 order as necessary to enforce this chapter if the executive  
8 director determines that the action is necessary to prevent a  
9 violation of this chapter and to protect public health and safety.

10     (b) The attorney general or executive director may  
11 institute an action for an injunction or a civil penalty under this  
12 chapter as provided by Section 51.352.

13     Sec. 2309.253. SANCTIONS. The department may impose  
14 sanctions as provided by Section 51.353.

15     Sec. 2309.254. CRIMINAL PENALTY; LICENSING. (a) A person  
16 commits an offense if the person:

17       (1) violates the licensing requirements of this  
18 chapter;

19       (2) deals in used parts without a license; or

20       (3) employs an individual who does not hold the  
21 appropriate license required by this chapter.

22     (b) An offense under this section is a Class C misdemeanor.

23     [Sections 2309.255-2309.300 reserved for expansion]

24      SUBCHAPTER G. CONDUCTING BUSINESS

25      Sec. 2309.301. DUTIES ON ACQUISITION OF SALVAGE MOTOR  
26 VEHICLE. (a) A used automotive parts recycler who acquires  
27 ownership of a salvage motor vehicle shall obtain a properly

1    assigned title from the previous owner of the vehicle.

2            (b) A used automotive parts recycler who acquires ownership  
3    of a motor vehicle, nonrepairable motor vehicle, or salvage motor  
4    vehicle for the purpose of dismantling, scrapping, or destroying  
5    the motor vehicle, shall, before the 61st day after the date of  
6    acquiring the motor vehicle, submit to the Texas Department of  
7    Transportation a report stating that the motor vehicle will be  
8    dismantled, scrapped, or destroyed. The recycler shall:

9            (1) submit the report on a form prescribed by the Texas  
10   Department of Transportation; and

11            (2) submit with the report a properly assigned  
12   manufacturer's certificate of origin, regular certificate of  
13   title, nonrepairable vehicle title, salvage vehicle title, or  
14   comparable out-of-state ownership document for the motor vehicle.

15            (c) After receiving the report and title or document, the  
16   Texas Department of Transportation shall issue the used automotive  
17   parts recycler a receipt for the manufacturer's certificate of  
18   origin, regular certificate of title, nonrepairable vehicle title,  
19   salvage vehicle title, or comparable out-of-state ownership  
20   document.

21            (d) The recycler shall comply with Subchapter E, Chapter  
22   501, Transportation Code.

23            Sec. 2309.302. RECORDS OF PURCHASES. A used automotive  
24   parts recycler shall maintain a record of each motor vehicle,  
25   salvage motor vehicle, nonrepairable motor vehicle, and used  
26   automotive part purchased.

27            Sec. 2309.303. REGISTRATION OF NEW BUSINESS LOCATION.

1 Before moving a place of business or opening an additional place of  
2 business, a used automotive parts recycler must notify the  
3 department of the new location. The used automotive parts recycler  
4 shall provide a storm water permit for the location if a permit is  
5 required by the Texas Commission on Environmental Quality.

6 [Sections 2309.304-2309.350 reserved for expansion]

7 SUBCHAPTER H. ADDITIONAL DUTIES OF USED AUTOMOTIVE PARTS RECYCLER

8 IN CONNECTION WITH MOTOR VEHICLE COMPONENT PARTS

9 Sec. 2309.351. DEFINITIONS. In this subchapter:

10 (1) "Component part" means a major component part as  
11 defined by Section 501.091, Transportation Code, or a minor  
12 component part.

13 (2) "Interior component part" means a motor vehicle's  
14 seat or radio.

15 (3) "Minor component part" means an interior component  
16 part, a special accessory part, or a motor vehicle part that  
17 displays or should display at least one of the following:

18 (A) a federal safety certificate;  
19 (B) a motor number;  
20 (C) a serial number or a derivative; or  
21 (D) a manufacturer's permanent vehicle  
22 identification number or a derivative.

23 (4) "Special accessory part" means a motor vehicle's  
24 tire, wheel, tailgate, or removable glass top.

25 Sec. 2309.352. REMOVAL OF LICENSE PLATES. Immediately on  
26 receipt of a motor vehicle, a used automotive parts recycler shall:

27 (1) remove any unexpired license plates from the

1    vehicle; and

2                (2) place the license plates in a secure place until  
3    destroyed by the used automotive parts recycler.

4                Sec. 2309.353. RECEIPT OF MOTOR VEHICLE. A used automotive  
5    parts recycler may not take delivery of a motor vehicle unless the  
6    recycler first obtains:

7                (1) a certificate of authority to dispose of the  
8    vehicle, a sales receipt, or a transfer document for the vehicle  
9    issued under Chapter 683, Transportation Code; or

10                (2) a certificate of title showing that there are no  
11    liens on the vehicle or that all recorded liens have been released.

12                Sec. 2309.354. RECORD OF PURCHASE; INVENTORY OF PARTS. (a)  
13    A used automotive parts recycler shall keep an accurate and legible  
14    inventory of each used component part purchased by or delivered to  
15    the recycler. The inventory must contain a record of each part  
16    that includes:

17                (1) the date of purchase or delivery;

18                (2) the driver's license number of the seller and a  
19    legible photocopy of the seller's driver's license;

20                (3) the license plate number of the motor vehicle in  
21    which the part was delivered;

22                (4) a complete description of the part and, if  
23    applicable, the make, model, color, and size of the part; and

24                (5) the vehicle identification number of the motor  
25    vehicle from which the part was removed.

26                (b) As an alternative to the information required by  
27    Subsection (a), a used automotive parts recycler may record:

1                   (1) the name of the person who sold the part or the  
2 motor vehicle from which the part was obtained; and

3                   (2) the Texas certificate of inventory number or the  
4 federal taxpayer identification number of the person.

5                   (c) The department shall prescribe the form of the record  
6 required by Subsection (a) and shall make the form available to used  
7 automotive parts recyclers.

8                   (d) This section does not apply to:

9                   (1) an interior component part or special accessory  
10 part from a motor vehicle more than 10 years old; or  
11                   (2) a part delivered to a used automotive parts  
12 recycler by a commercial freight line, commercial carrier, or  
13 licensed used automotive parts recycler.

14                   Sec. 2309.355. ASSIGNMENT OF INVENTORY NUMBER. (a) A used  
15 automotive parts recycler shall:

16                   (1) assign a unique inventory number to each  
17 transaction in which the recycler purchases or takes delivery of a  
18 component part;

19                   (2) attach that inventory number to each component  
20 part the recycler obtains in the transaction; and

21                   (3) retain each component part in its original  
22 condition on the business premises of the recycler for at least  
23 three calendar days, excluding Sundays, after the date the  
24 recycler obtains the part.

25                   (b) An inventory number attached to a component part under  
26 Subsection (a) may not be removed while the part remains in the  
27 inventory of the used automotive parts recycler.

1        (c) This section does not apply to the purchase by a used  
2 automotive parts recycler of a nonoperational engine,  
3 transmission, or rear axle assembly from another used automotive  
4 parts recycler or an automotive-related business.

5        Sec. 2309.356. MAINTENANCE OF RECORDS. A used automotive  
6 parts recycler shall keep a record required under this subchapter  
7 on a form prescribed by the department or the Texas Department of  
8 Transportation. The recycler shall maintain copies of each record  
9 required under this subchapter until the first anniversary of the  
10 purchase date of the item for which the record is maintained.

11        Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS OR LICENSE  
12 PLATES. (a) On demand, a used automotive parts recycler shall  
13 surrender to the Texas Department of Transportation for  
14 cancellation a certificate of title or authority, sales receipt or  
15 transfer document, license plate, or inventory list that the  
16 recycler is required to possess or maintain.

17        (b) The Texas Department of Transportation shall provide a  
18 signed receipt for a surrendered certificate of title.

19        Sec. 2309.358. RESALE OF SALVAGE MOTOR VEHICLES OR  
20 NONREPAIRABLE MOTOR VEHICLES. (a) A used automotive parts  
21 recycler may sell salvage or nonrepairable vehicles only at the  
22 recycler's business location.

23        (b) Before reselling a salvage motor vehicle or  
24 nonrepairable motor vehicle, a used automotive parts recycler must  
25 post notice on the vehicle of the type of title appropriate to the  
26 vehicle.

27        Sec. 2309.359. INSPECTION OF RECORDS. (a) A peace officer

1 at any reasonable time may inspect a record required to be  
2 maintained under this subchapter, including an inventory record.

3 (b) On demand by a peace officer, a used automotive parts  
4 recycler shall provide to the officer a copy of a record required to  
5 be maintained under this subchapter.

6 (c) A peace officer may inspect the inventory on the  
7 premises of a used automotive parts recycler at any reasonable time  
8 to verify, check, or audit the records required to be maintained  
9 under this subchapter.

10 (d) A used automotive parts recycler or an employee of the  
11 recycler shall allow and may not interfere with a peace officer's  
12 inspection of the recycler's inventory, premises, or required  
13 inventory records.

14 [Sections 2309.360-2309.400 reserved for expansion]

15 SUBCHAPTER I. MOTOR VEHICLE SALVAGE YARDS IN CERTAIN COUNTIES

16 Sec. 2309.401. APPLICABILITY OF SUBCHAPTER. This  
17 subchapter applies only to a used automotive parts facility located  
18 in a county with a population of 2.8 million or more.

19 Sec. 2309.402. LIMITS ON OPERATION OF HEAVY MACHINERY. (a)  
20 A used automotive parts recycler may not operate heavy machinery in  
21 a used automotive parts recycling facility between the hours of 7  
22 p.m. of one day and 7 a.m. of the following day.

23 (b) This section does not apply to conduct necessary to a  
24 sale or purchase by the recycler.

25 (b) Section 2302.253, Occupations Code, is repealed.

26 (c) Not later than January 1, 2010, the Texas Commission of  
27 Licensing and Regulation shall adopt rules under Section 2309.102,

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1 Occupations Code, as added by Subsection (a) of this section.

2 (d) Section 2309.151, Occupations Code, as added by  
3 Subsection (a) of this section, and Subchapter F, Chapter 2309,  
4 Occupations Code, as added by Subsection (a) of this section, take  
5 effect September 1, 2010.

6 SECTION 31.12. Section 2301.002(33), Occupations Code, is  
7 repealed.

## PART J. PENAL CODE

9 SECTION 3J.01. Section 31.03(c), Penal Code, is amended to  
10 read as follows:

11 (c) For purposes of Subsection (b):

12 (1) evidence that the actor has previously  
13 participated in recent transactions other than, but similar to,  
14 that which the prosecution is based is admissible for the purpose of  
15 showing knowledge or intent and the issues of knowledge or intent  
16 are raised by the actor's plea of not guilty;

21 (3) an actor engaged in the business of buying and  
22 selling used or secondhand personal property, or lending money on  
23 the security of personal property deposited with the actor, is  
24 presumed to know upon receipt by the actor of stolen property (other  
25 than a motor vehicle subject to Chapter 501, Transportation Code)  
26 that the property has been previously stolen from another if the  
27 actor pays for or loans against the property \$25 or more (or

1 consideration of equivalent value) and the actor knowingly or  
2 recklessly:

3 (A) fails to record the name, address, and  
4 physical description or identification number of the seller or  
5 pledgor;

6 (B) fails to record a complete description of the  
7 property, including the serial number, if reasonably available, or  
8 other identifying characteristics; or

9 (C) fails to obtain a signed warranty from the  
10 seller or pledgor that the seller or pledgor has the right to  
11 possess the property. It is the express intent of this provision  
12 that the presumption arises unless the actor complies with each of  
13 the numbered requirements;

14 (4) for the purposes of Subdivision (3)(A),  
15 "identification number" means driver's license number, military  
16 identification number, identification certificate, or other  
17 official number capable of identifying an individual;

18 (5) stolen property does not lose its character as  
19 stolen when recovered by any law enforcement agency;

20 (6) an actor engaged in the business of obtaining  
21 abandoned or wrecked motor vehicles or parts of an abandoned or  
22 wrecked motor vehicle for resale, disposal, scrap, repair,  
23 rebuilding, demolition, or other form of salvage is presumed to  
24 know on receipt by the actor of stolen property that the property  
25 has been previously stolen from another if the actor knowingly or  
26 recklessly:

27 (A) fails to maintain an accurate and legible

1 inventory of each motor vehicle component part purchased by or  
2 delivered to the actor, including the date of purchase or delivery,  
3 the name, age, address, sex, and driver's license number of the  
4 seller or person making the delivery, the license plate number of  
5 the motor vehicle in which the part was delivered, a complete  
6 description of the part, and the vehicle identification number of  
7 the motor vehicle from which the part was removed, or in lieu of  
8 maintaining an inventory, fails to record the name and certificate  
9 of inventory number of the person who dismantled the motor vehicle  
10 from which the part was obtained;

11 (B) fails on receipt of a motor vehicle to obtain  
12 a certificate of authority, sales receipt, or transfer document as  
13 required by Chapter 683, Transportation Code, or a certificate of  
14 title showing that the motor vehicle is not subject to a lien or  
15 that all recorded liens on the motor vehicle have been released; or

16 (C) fails on receipt of a motor vehicle to  
17 immediately remove an unexpired license plate from the motor  
18 vehicle, to keep the plate in a secure and locked place, or to  
19 maintain an inventory, on forms provided by the Texas Department of  
20 Motor Vehicles [~~Transportation~~], of license plates kept under this  
21 paragraph, including for each plate or set of plates the license  
22 plate number and the make, motor number, and vehicle identification  
23 number of the motor vehicle from which the plate was removed;

24 (7) an actor who purchases or receives a used or  
25 secondhand motor vehicle is presumed to know on receipt by the actor  
26 of the motor vehicle that the motor vehicle has been previously  
27 stolen from another if the actor knowingly or recklessly:

1 (A) fails to report to the Texas Department of  
2 Motor Vehicles [~~Transportation~~] the failure of the person who sold  
3 or delivered the motor vehicle to the actor to deliver to the actor  
4 a properly executed certificate of title to the motor vehicle at the  
5 time the motor vehicle was delivered; or

6 (B) fails to file with the county tax  
7 assessor-collector of the county in which the actor received the  
8 motor vehicle, not later than the 20th day after the date the actor  
9 received the motor vehicle, the registration license receipt and  
10 certificate of title or evidence of title delivered to the actor in  
11 accordance with Subchapter D, Chapter 520, Transportation Code, at  
12 the time the motor vehicle was delivered:

13 (8) an actor who purchases or receives from any source  
14 other than a licensed retailer or distributor of pesticides a  
15 restricted-use pesticide or a state-limited-use pesticide or a  
16 compound, mixture, or preparation containing a restricted-use or  
17 state-limited-use pesticide is presumed to know on receipt by the  
18 actor of the pesticide or compound, mixture, or preparation that  
19 the pesticide or compound, mixture, or preparation has been  
20 previously stolen from another if the actor:

21 (A) fails to record the name, address, and  
22 physical description of the seller or pledgor;

23 (B) fails to record a complete description of the  
24 amount and type of pesticide or compound, mixture, or preparation  
25 purchased or received; and

26 (C) fails to obtain a signed warranty from the  
27 seller or pledgor that the seller or pledgor has the right to

1 possess the property; and

2 (9) an actor who is subject to Section 409, Packers and  
3 Stockyards Act (7 U.S.C. Section 228b), that obtains livestock from  
4 a commission merchant by representing that the actor will make  
5 prompt payment is presumed to have induced the commission  
6 merchant's consent by deception if the actor fails to make full  
7 payment in accordance with Section 409, Packers and Stockyards Act  
8 (7 U.S.C. Section 228b).

9 SECTION 3J.02. Section 31.11(b), Penal Code, is amended to  
10 read as follows:

11 (b) It is an affirmative defense to prosecution under this  
12 section that the person was:

13 (1) the owner or acting with the effective consent of  
14 the owner of the property involved;

15 (2) a peace officer acting in the actual discharge of  
16 official duties; or

17 (3) acting with respect to a number assigned to a  
18 vehicle by the Texas Department of Transportation or the Texas  
19 Department of Motor Vehicles, as applicable, and the person was:

20 (A) in the actual discharge of official duties as  
21 an employee or agent of the department; or

22 (B) in full compliance with the rules of the  
23 department as an applicant for an assigned number approved by the  
24 department.

25 PART K. TAX CODE

26 SECTION 3K.01. Section 21.02(d), Tax Code, is amended to  
27 read as follows:

1                   (d) A motor vehicle does not have taxable situs in a taxing  
2 unit under Subsection (a)(1) if, on January 1, the vehicle:

3                   (1) has been located for less than 60 days at a place  
4 of business of a person who holds a wholesale motor vehicle auction  
5 general distinguishing number issued by the Texas Department of  
6 Motor Vehicles [~~Transportation~~] under Chapter 503, Transportation  
7 Code, for that place of business; and

8                   (2) is offered for resale.

9                   SECTION 3K.02. Section 22.04(d), Tax Code, is amended to  
10 read as follows:

11                   (d) This section does not apply to a motor vehicle that on  
12 January 1 is located at a place of business of a person who holds a  
13 wholesale motor vehicle auction general distinguishing number  
14 issued by the Texas Department of Motor Vehicles [~~Transportation~~]  
15 under Chapter 503, Transportation Code, for that place of business,  
16 and that:

17                   (1) has not acquired taxable situs under Section  
18 21.02(a)(1) in a taxing unit that participates in the appraisal  
19 district because the vehicle is described by Section 21.02(d);

20                   (2) is offered for sale by a dealer who holds a  
21 dealer's general distinguishing number issued by the Texas  
22 Department of Motor Vehicles [~~Transportation~~] under Chapter 503,  
23 Transportation Code, and whose inventory of motor vehicles is  
24 subject to taxation in the manner provided by Sections 23.121 and  
25 23.122; or

26                   (3) is collateral possessed by a lienholder and  
27 offered for sale in foreclosure of a security interest.

1 SECTION 3K.03. Sections 23.121(a)(3), (11), and (14), Tax  
2 Code, are amended to read as follows:

3 (3) "Dealer" means a person who holds a dealer's  
4 general distinguishing number issued by the Texas Department of  
5 Motor Vehicles [~~Transportation~~] under the authority of Chapter 503,  
6 Transportation Code, or who is legally recognized as a motor  
7 vehicle dealer pursuant to the law of another state and who complies  
8 with the terms of Section 152.063(f). The term does not include:

9 (A) a person who holds a manufacturer's license  
10 issued under Chapter 2301, Occupations Code [~~by the Motor Vehicle~~  
11 ~~Board of the Texas Department of Transportation~~];

12 (B) an entity that is owned or controlled by a  
13 person who holds a manufacturer's license issued under Chapter  
14 2301, Occupations Code [~~by the Motor Vehicle Board of the Texas~~  
15 ~~Department of Transportation~~]; or

16 (C) a dealer whose general distinguishing number  
17 issued by the Texas Department of Motor Vehicles [~~Transportation~~]  
18 under the authority of Chapter 503, Transportation Code, prohibits  
19 the dealer from selling a vehicle to any person except a dealer.

20 (11) "Sales price" means the total amount of money  
21 paid or to be paid for the purchase of a motor vehicle as set forth  
22 as "sales price" in the form entitled "Application for Texas  
23 Certificate of Title" promulgated by the Texas Department of Motor  
24 Vehicles [~~Transportation~~]. In a transaction that does not involve  
25 the use of that form, the term means an amount of money that is  
26 equivalent, or substantially equivalent, to the amount that would  
27 appear as "sales price" on the Application for Texas Certificate of

1 Title if that form were involved.

2 (14) "Towable recreational vehicle" means a  
3 nonmotorized vehicle that is designed for temporary human  
4 habitation for recreational, camping, or seasonal use and:

5 (A) is titled and registered with the Texas  
6 Department of Motor Vehicles ~~Transportation~~ through the office of  
7 the collector;

8 (B) is permanently built on a single chassis;

9 (C) contains one or more life support systems;

10 and

11 (D) is designed to be towable by a motor vehicle.

12 SECTION 3K.04. Sections 23.121(f), (g), and (h), Tax Code,  
13 are amended to read as follows:

14 (f) The comptroller shall promulgate a form entitled  
15 Dealer's Motor Vehicle Inventory Declaration. Except as provided  
16 by Section 23.122(1) ~~[of this code]~~, not later than February 1 of  
17 each year, or, in the case of a dealer who was not in business on  
18 January 1, not later than 30 days after commencement of business,  
19 each dealer shall file a declaration with the chief appraiser and  
20 file a copy with the collector. For purposes of this subsection, a  
21 dealer is presumed to have commenced business on the date of  
22 issuance to the dealer of a dealer's general distinguishing number  
23 as provided by Chapter 503, Transportation Code. Notwithstanding  
24 the presumption created by this subsection, a chief appraiser may,  
25 at his or her sole discretion, designate as the date on which a  
26 dealer commenced business a date other than the date of issuance to  
27 the dealer of a dealer's general distinguishing number. The

1 declaration is sufficient to comply with this subsection if it sets  
2 forth the following information:

3 (1) the name and business address of each location at  
4 which the dealer owner conducts business;

5 (2) each of the dealer's general distinguishing  
6 numbers issued by the Texas Department of Motor Vehicles  
7 [~~Transportation~~];

8 (3) a statement that the dealer owner is the owner of a  
9 dealer's motor vehicle inventory; and

10 (4) the market value of the dealer's motor vehicle  
11 inventory for the current tax year as computed under Section  
12 23.121(b) [~~of this code~~].

13 (g) Under the terms provided by this subsection, the chief  
14 appraiser may examine the books and records of the holder of a  
15 general distinguishing number issued by the Texas Department of  
16 Motor Vehicles [~~Transportation~~]. A request made under this  
17 subsection must be made in writing, delivered personally to the  
18 custodian of the records, at the location for which the general  
19 distinguishing number has been issued, must provide a period not  
20 less than 15 days for the person to respond to the request, and must  
21 state that the person to whom it is addressed has the right to seek  
22 judicial relief from compliance with the request. In a request made  
23 under this section the chief appraiser may examine:

24 (1) the document issued by the Texas Department of  
25 Motor Vehicles [~~Transportation~~] showing the person's general  
26 distinguishing number;

27 (2) documentation appropriate to allow the chief

1 appraiser to ascertain the applicability of this section and  
2 Section 23.122 [~~of this code~~] to the person;

3 (3) sales records to substantiate information set  
4 forth in the dealer's declaration filed by the person.

5 (h) If a dealer fails to file a declaration as required by  
6 this section, or if, on the declaration required by this section, a  
7 dealer reports the sale of fewer than five motor vehicles in the  
8 prior year, the chief appraiser shall report that fact to the Texas  
9 Department of Motor Vehicles [~~Transportation~~] and the department  
10 shall initiate termination proceedings. The chief appraiser shall  
11 include with the report a copy of a declaration, if any, indicating  
12 the sale by a dealer of fewer than five motor vehicles in the prior  
13 year. A report by a chief appraiser to the Texas Department of  
14 Motor Vehicles [~~Transportation~~] as provided by this subsection is  
15 prima facie grounds for the cancellation of the dealer's general  
16 distinguishing number under Section 503.038(a)(9), Transportation  
17 Code, or for refusal by the Texas Department of Motor Vehicles  
18 [~~Transportation~~] to renew the dealer's general distinguishing  
19 number.

20 SECTION 3K.05. Section 23.123(c), Tax Code, is amended to  
21 read as follows:

22 (c) Information made confidential by this section may be  
23 disclosed:

24 (1) in a judicial or administrative proceeding  
25 pursuant to a lawful subpoena;

26 (2) to the person who filed the declaration or  
27 statement or to that person's representative authorized by the

1 person in writing to receive the information;

2 (3) to the comptroller or an employee of the  
3 comptroller authorized by the comptroller to receive the  
4 information;

5 (4) to a collector or chief appraiser;

6 (5) to a district attorney, criminal district attorney  
7 or county attorney involved in the enforcement of a penalty imposed  
8 pursuant to Section 23.121 or Section 23.122 [~~of this code~~];

9 (6) for statistical purposes if in a form that does not  
10 identify specific property or a specific property owner;

11 (7) if and to the extent that the information is  
12 required for inclusion in a public document or record that the  
13 appraisal or collection office is required by law to prepare or  
14 maintain; or

15 (8) to the Texas Department of Motor Vehicles  
16 [~~Transportation~~] for use by that department in auditing compliance  
17 of its licensees with appropriate provisions of applicable law.

18 SECTION 3K.06. Section 23.124(a)(11), Tax Code, is amended  
19 to read as follows:

20 (11) "Sales price" means the total amount of money  
21 paid or to be paid for the purchase of:

22 (A) a vessel, other than a trailer that is  
23 treated as a vessel, as set forth as "sales price" in the form  
24 entitled "Application for Texas Certificate of Number/Title for  
25 Boat/Seller, Donor or Trader's Affidavit" promulgated by the Parks  
26 and Wildlife Department;

27 (B) an outboard motor as set forth as "sales

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1 price" in the form entitled "Application for Texas Certificate of  
2 Title for an Outboard Motor/Seller, Donor or Trader's Affidavit"  
3 promulgated by the Parks and Wildlife Department; or

4 (C) a trailer that is treated as a vessel as set  
5 forth as "sales price" in the form entitled "Application for Texas  
6 Certificate of Title" promulgated by the Texas Department of Motor  
7 Vehicles [~~Transportation~~].

8 In a transaction involving a vessel, an outboard motor,  
9 or a trailer that is treated as a vessel that does not involve the  
10 use of one of these forms, the term means an amount of money that is  
11 equivalent, or substantially equivalent, to the amount that would  
12 appear as "sales price" on the Application for Texas Certificate of  
13 Number/Title for Boat/Seller, Donor or Trader's Affidavit, the  
14 Application for Texas Certificate of Title for an Outboard  
15 Motor/Seller, Donor or Trader's Affidavit, or the Application for  
16 Texas Certificate of Title if one of these forms were involved.

17 SECTION 3K.07. Section 113.011, Tax Code, is amended to  
18 read as follows:

19 Sec. 113.011. LIENS FILED WITH TEXAS DEPARTMENT OF MOTOR  
20 VEHICLES [~~TRANSPORTATION~~]. The comptroller shall furnish to the  
21 Texas Department of Motor Vehicles [~~Transportation~~] each release of  
22 a tax lien filed by the comptroller with that department.

23 SECTION 3K.08. Sections 152.0412(a) and (f), Tax Code, are  
24 amended to read as follows:

25 (a) In this section, "standard presumptive value" means the  
26 private-party transaction value of a motor vehicle, as determined  
27 by the Texas Department of Motor Vehicles [~~Transportation~~] based on

1 an appropriate regional guidebook of a nationally recognized motor  
2 vehicle value guide service, or based on another motor vehicle  
3 guide publication that the department determines is appropriate if  
4 a private-party transaction value for the motor vehicle is not  
5 available from a regional guidebook described by this subsection.

6 (f) The Texas Department of Motor Vehicles [~~Transportation~~]  
7 shall maintain information on the standard presumptive values of  
8 motor vehicles as part of the department's registration and title  
9 system. The department shall update the information at least  
10 quarterly each calendar year and publish, electronically or  
11 otherwise, the updated information.

12 SECTION 3K.09. Section 152.042, Tax Code, is amended to  
13 read as follows:

14 Sec. 152.042. COLLECTION OF TAX ON METAL DEALER PLATES. A  
15 person required to pay the tax imposed by Section 152.027 shall pay  
16 the tax to the Texas Department of Motor Vehicles [~~Transportation~~],  
17 and the department may not issue the metal dealer's plates until the  
18 tax is paid.

19 SECTION 3K.10. Section 152.121(b), Tax Code, is amended to  
20 read as follows:

21 (b) Taxes on metal dealer plates collected by the Texas  
22 Department of Motor Vehicles [~~Transportation~~] shall be deposited by  
23 the department in the state treasury in the same manner as are other  
24 taxes collected under this chapter.

25 SECTION 3K.11. Section 162.001(52), Tax Code, is amended to  
26 read as follows:

27 (52) "Registered gross weight" means the total weight

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1 of the vehicle and carrying capacity shown on the registration  
2 certificate issued by the Texas Department of Motor Vehicles  
3 [Transportation].

4 ARTICLE 4. TRANSFERS OF CERTAIN POWERS, DUTIES, OBLIGATIONS, AND  
5 RIGHTS OF ACTION

6 SECTION 4.01. (a) All powers, duties, obligations, and  
7 rights of action of the Motor Vehicle Division and the Vehicle  
8 Titles and Registration Division of the Texas Department of  
9 Transportation are transferred to the Texas Department of Motor  
10 Vehicles, and all powers, duties, obligations, and rights of action  
11 of the Texas Transportation Commission in connection or associated  
12 with those divisions of the Texas Department of Transportation are  
13 transferred to the board of the Texas Department of Motor Vehicles  
14 on November 1, 2009.

23 (c) In connection with the transfers required by  
24 Subsections (a) and (b) of this section, the personnel, furniture,  
25 computers, other property and equipment, files, and related  
26 materials used by the Motor Vehicle Division, the Vehicle Titles  
27 and Registration Division, or the portion of the Motor Carrier

1 Division of the Texas Department of Transportation described in  
2 Subsection (b) of this section are transferred to the Texas  
3 Department of Motor Vehicles.

4 (d) The Texas Department of Motor Vehicles shall continue  
5 any proceeding involving the Motor Vehicle Division, the Vehicle  
6 Titles and Registration Division, or the portion of the Motor  
7 Carrier Division of the Texas Department of Transportation  
8 described in Subsection (b) of this section that was brought before  
9 the effective date of this Act in accordance with the law in effect  
10 on the date the proceeding was brought, and the former law is  
11 continued in effect for that purpose.

12 (e) A certificate, license, document, permit, registration,  
13 or other authorization issued by the Motor Vehicle Division or the  
14 Vehicle Titles and Registration Division of the Texas Department of  
15 Transportation or a registration issued by the Motor Carrier  
16 Division of the Texas Department of Transportation that is in  
17 effect on the effective date of this Act remains valid for the  
18 period for which it was issued unless suspended or revoked by the  
19 Texas Department of Motor Vehicles.

20 (f) A rule adopted by the Texas Transportation Commission or  
21 the director of the Texas Department of Transportation in  
22 connection with or relating to the Motor Vehicle Division, the  
23 Vehicle Titles and Registration Division, or the portion of the  
24 Motor Carrier Division of the Texas Department of Transportation  
25 described in Subsection (b) of this section continues in effect  
26 until it is amended or repealed by the board of the Texas Department  
27 of Motor Vehicles or the Texas Department of Motor Vehicles, as

1 applicable.

13 SECTION 4.02. (a) In connection with the establishment by  
14 this Act of the Automobile Burglary and Theft Prevention Authority  
15 in the office of the governor and with the transfer by this Act of  
16 the duty to provide personnel and services to the Automobile  
17 Burglary and Theft Prevention Authority from the Texas Department  
18 of Transportation to the office of the governor, the personnel,  
19 furniture, computers, other property and equipment, files, and  
20 related materials used by the Automobile Burglary and Theft  
21 Prevention Authority are transferred to the office of the governor.

22 (b) The unobligated and unexpended balance of any  
23 appropriations made to the Texas Department of Transportation in  
24 connection with or relating to the Automobile Burglary and Theft  
25 Prevention Authority for the state fiscal biennium ending August  
26 31, 2009, is transferred and reappropriated to the office of the  
27 governor for the purpose of allowing the authority to continue to

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1 exercise its powers, duties, and obligations under the auspices of  
2 that office.

3 SECTION 4.03. The Transportation Legislative Oversight  
4 Committee shall oversee the coordination and collaboration between  
5 the Texas Department of Transportation and the Texas Department of  
6 Motor Vehicles during the transitions required by Sections 4.01 and  
7 4.02 of this article.

8 ARTICLE 5. APPOINTMENT OF BOARD

9 SECTION 5.01. Not later than October 1, 2009, the governor  
10 shall appoint the members of the board of the Texas Department of  
11 Motor Vehicles in accordance with Subchapter B, Chapter 1001,  
12 Transportation Code, as added by this Act.

13 ARTICLE 6. EFFECTIVE DATE

14 SECTION 6.01. This Act takes effect September 1, 2009.