

BILL ANALYSIS

Senate Research Center

H.B. 2202
By: Pickett; McClendon (Williams)
Finance
5/14/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Primary functions of the recently created Texas Department of Motor Vehicles (TxDMV) include, among others, administering the collection of motor vehicle-related fees and regulating the sale of motor vehicles. Fees collected by TxDMV are used primarily to fund the state's highway system and TxDMV is currently funded by money appropriated out of the state highway fund. Interested parties contend that TxDMV should be funded through administrative fees and other revenue collected by TxDMV. The parties are also of the opinion that TxDMV's fee structure is in need of simplification and that the board of TxDMV needs more flexibility with regard to its regulatory authority. H.B. 2202 seeks to address these issues.

H.B. 2202 amends current law relating to the disposition of fees collected by or on behalf of the Texas Department of Motor Vehicles, and authorizes fees.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of the Texas Department of Motor Vehicles (board) in SECTION 2 (Section 348.005, Finance Code), SECTION 3 (Section 353.006, Finance Code), SECTION 6 (Section 501.0234, Transportation Code), SECTION 8 (Section 501.076, Transportation Code), SECTION 19 (Section 502.1911, Transportation Code), SECTION 26 (Section 502.356, Transportation Code), SECTION 44 (Section 520.0071, Transportation Code), SECTION 46 (Section 520.016, Transportation Code), SECTION 70 (Section 1001.013, Transportation Code), SECTION 73, and SECTION 74 of this bill.

Rulemaking authority previously granted to the board is modified in SECTION 48 (Section 621.352, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 53 (Section 623.0711, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 232.014(b), Family Code, as follows:

(b) Requires that a fee collected by the Texas Department of Motor Vehicles (TxDMV) be deposited to the credit of the TxDMV fund. Requires that a fee collected by the Department of Public Safety of the State of Texas (DPS) be deposited to the credit of the state highway fund.

SECTION 2. Amends Section 348.005, Finance Code, as follows:

Sec. 348.005. ITEMIZED CHARGE. Provides that an amount in a retail installment contract is an itemized charge if the amount is not included in the cash price and is the amount of:

(1) fees for registration, certificate of title, and license and any additional registration fees charged by a deputy as authorized by rules adopted under Section 520.0071, Transportation Code, rather than fees charged by full service deputy

under Section 502.114 (redesignated as Section 520.009, Transportation Code), Transportation Code; and

(2)-(4) Makes no change to these subdivisions.

SECTION 3. Amends Section 353.006, Finance Code, to make conforming changes.

SECTION 4. Amends Section 2301.156, Occupations Code, to require that all money collected by the board of TxDMV (board) under this chapter, notwithstanding any other law to the contrary, be deposited in the state treasury to the credit of the TxDMV fund, rather than the state highway fund.

SECTION 5. Amends Section 2301.801(c), Occupations Code, to require that a civil penalty recovered under this chapter, notwithstanding any other law to the contrary, be deposited in the state treasury to the credit of the TxDMV fund, rather than the state highway fund.

SECTION 6. Amends Section 501.0234(b), Transportation Code, to provide that this section does not apply to certain motor vehicles, including a motor vehicle purchased by a commercial fleet buyer who is a deputy authorized by rules adopted under Section 520.0071, and who utilizes the dealer title application process developed to provide a method to submit title transactions to the county in which the commercial fleet buyer is a deputy, and has authority to accept an application for registration and application for title transfer that the county assessor-collector is authorized to accept, rather than a motor vehicle purchased by a commercial fleet buyer who is a full-service deputy under Section 520.008 (Full-Service Deputies) and who utilizes the dealer title application process developed to provide a method to submit title transactions to the county in which the commercial fleet buyer is a full-service deputy.

SECTION 7. Amends Section 501.033(c), Transportation Code, to require that a fee of \$2 accompany each application under this section to be deposited in the TxDMV fund, rather than the state highway fund.

SECTION 8. Amends Section 501.076(c), Transportation Code, to require the person named as the agent in the limited power of attorney to meet certain requirements, including authorizing the person to be a person who has been deputized, rather than appointed by the commissioners court as a deputy, to perform vehicle registration functions as authorized by rules adopted under Section 520.0071, rather than Section 520.0091 (Deputy Assessor-Collectors).

SECTION 9. Amends Section 501.097(d), Transportation Code, to require that the fee collected under Subsection (a)(1) (relating to the requirement that an application for a nonrepairable vehicle title or salvage vehicle title be made on a form prescribed by TxDMV and accompanied by a \$8 application fee) be credited to the TxDMV fund, rather than credited to the state highway, to defray the costs of administering this subchapter and the costs to TxDMV for issuing the title.

SECTION 10. Amends Section 501.134(a), Transportation Code, to require a fee collected under this subsection to be deposited to the credit of the TxDMV fund, rather than to the credit of the state highway fund, and authorizes it to be spent only as provided by Section 501.138 (Collection and Disposition of Fees).

SECTION 11. Amends Sections 501.138(b-2) and (c), Transportation Code, as follows:

(b-2) Requires the Texas Department of Transportation (TxDOT), rather than TxDMV, on or before the fifth workday of each month, remit to the comptroller for deposit to the credit of the Texas emissions reduction plan fund an amount of money equal to the amount of the fees deposited by the comptroller to the credit of the Texas Mobility Fund under Subsection (b-1) (relating to requiring certain fees collected to be sent to the comptroller of public accounts of the State of Texas (comptroller) to be deposited to the credit of the Texas Mobility Fund) in the preceding month. Requires TxDOT, rather than TxDMV, to use for remittance to the comptroller as required by this subsection money in the state highway fund that is not required to be used for a purpose specified by Section

7-a (Revenues From Motor Vehicle Registration Fees and Taxes on Motor Fuels and Lubricants; Purposes for Which Used), Article VIII (Taxation and Revenue), Texas Constitution, and prohibits from using for that remittance money received by this state under the congestion mitigation and air quality improvement program established under 23 U.S.C. Section 149.

(c) Changes a reference to the state highway fund to the TxDMV fund.

SECTION 12. Amends Section 501.148(b), Transportation Code, to require TxDMV to deposit the remitted fees in the state treasury to the credit of the TxDMV fund.

SECTION 13. Amends Section 501.178, Transportation Code, to require that all fees collected under this subchapter be deposited to the credit of TxDMV fund, rather than to the credit of state highway fund.

SECTION 14. Amends Section 502.058, Transportation Code, by adding Subsection (c), to require that a fee collected by TxDMV under Subsection (a) (authorizing the owner of a vehicle for which the registration receipt has been lost or destroyed to obtain a duplicate receipt from TxDMV or the county assessor-collector who issued the original receipt by paying a fee of \$2) be deposited to the credit of the TxDMV fund.

SECTION 15. Amends Section 502.060, Transportation Code, by adding Subsection (e), to require that the portion of the fee sent to TxDMV under Subsection (d) (requiring a county assessor-collector to retain \$2.50 of each fee collected under this section and is required to report and send the remainder to TxDMV) be deposited to the credit of the TxDMV fund.

SECTION 16. Amends Section 502.094(h), Transportation Code, to authorize TxDMV to establish one or more escrow accounts in the TxDMV fund, rather than state highway fund.

SECTION 17. Amends Section 502.146(a), Transportation Code, to require that the fee for the license plates is \$5 and requires that the fee be deposited to the credit of TxDMV fund.

SECTION 18. Amends Section 502.191, Transportation Code, by adding Subsection (f), to prohibit TxDMV from collecting a fee under Subsection (c) (authorizing TxDMV to collect a fee for processing a payment by electronic funds transfer, credit card, or debit card in an amount not to exceed the amount of the charges incurred by TxDMV to process the payment) or (d) (relating to the authorization that TxDMV collect a certain fee from a person making a payment by electronic funds transfer, credit card, or debit card through a certain online project implemented) if TxDMV collects a fee under Section 502.1911.

SECTION 19. Amends Subchapter E, Chapter 502, Transportation Code, by adding Section 502.1911, as follows:

Sec. 502.1911. REGISTRATION PROCESSING AND HANDLING FEE. (a) Authorizes TxDMV to collect a fee, in addition to other registration fees for the issuance of a license plate, a set of license plates, or another device used as the registration insignia, to cover the expenses of collecting those registration fees, including a service charge for registration by mail.

(b) Requires the board by rule to set the fee in an amount that:

(1) includes the fee established under Section 502.356(a) (relating to fees for license plates); and

(2) is sufficient to cover the expenses associated with collecting registration fees by TxDMV; a county tax assessor-collector; a private entity with which a county tax assessor-collector contracts under Section 502.197 (Registration by Mail or Electronic Means; Service Charge); or a deputy assessor-collector that is deputized in accordance with board rule under Section 520.0071.

(c) Authorizes the county tax assessor-collector, a private entity with which a county tax assessor-collector contracts under Section 502.197, or a deputy assessor-collector to retain a portion of the fee collected under Subsection (b) as provided by board rule. Requires that the remaining amounts collected under this section be deposited to the credit of the TxDMV fund.

SECTION 20. Amends Section 502.192, Transportation Code, to require that the portion of each registration transfer fee not retained by the county assessor-collector be deposited to the credit of the TxDMV fund.

SECTION 21. Amends Sections 502.197(a) and (b), Transportation Code, as follows:

(a) Authorizes a county assessor-collector to retain, rather than to collect, a service charge in the amount determined by the board under Section 502.1911, rather than of \$1, from each applicant registering a vehicle by mail.

(b) Authorizes a private entity to retain an amount determined by the board under Section 502.1911, rather than charge an applicant not more than \$1, for the service provided.

SECTION 22. Amends Sections 502.198(a), (c), and (d), Transportation Code, as follows:

(a) Provides that, except as provided by Sections 502.058 (Duplicate Registration Receipt), 502.060 (Replacement of Registration Insignia), 502.1911, 502.192 (Transfer Fee), and 502.357 (Financial Responsibility Programs), rather than by Sections 502.1982 (Disposition of Optional County Road and Bridge Fee) and 502.357, this section applies to all fees collected by a county assessor-collector under this chapter.

(c) Requires the county assessor-collector, each Monday after the credits to the county road and bridge fund equal the total computed under Subsection (b), to credit certain amounts and send certain amounts to certain funds, including sending to TxDMV an amount equal to 50 percent of those collections for deposit to the credit of the state highway fund.

(d) Makes a conforming change.

SECTION 23. Amends Section 502.1983(a), Transportation Code, to authorize a county assessor-collector, except as provided by Section 502.357, rather than except as provided by Sections 502.1982 and 502.357, to deposit the fees in an interest-bearing account or certificate in the county depository, and send the fees to TxDMV not later than the 34th day after the date the fees are due under Section 502.357.

SECTION 24. Amends Section 502.1984(a), Transportation Code, to provide that a fee required to be sent to TxDMV under this chapter bears interest for the benefit of the state highway fund or the TxDMV fund, as applicable, at an annual rate of 10 percent beginning on the 60th day after the date the county assessor-collector collects the fee.

SECTION 25. Amends Section 502.1985(a), Transportation Code, to prohibit money credited to the county road and bridge fund under Section 502.198, rather than Section 502.198 or 502.1982, from being used to pay the compensation of the county judge or a county commissioner.

SECTION 26. Amends Section 502.356, Transportation Code, as follows:

Sec. 502.356. AUTOMATED REGISTRATION AND TITLING SYSTEM. (a) Requires the board, by rule, in addition to other registration fees for a license plate or set of license plates or other device used as the registration insignia, to adopt a fee of not less than 50 cents and not more than \$1. Requires that the fee be collected and be deposited into a subaccount in the TxDMV fund.

(b) Authorizes TxDMV to use money collected under this section to provide for or enhance the automation of and the necessary infrastructure for on-premises and off-premises registration and permitting, rather than automated on-premises and off-premises registration, including permitting under Subtitle E; services related to the titling of vehicles; and licensing and enforcement procedures.

SECTION 27. Amends Section 502.405(c), Transportation Code, to require three percent of all money collected under this section to be credited to the TxDMV fund and to authorize it to be appropriated only to TxDMV to administer this section.

SECTION 28. Amends Section 503.007(d), Transportation Code, to require that a fee collected under this section be deposited to the credit of the TxDMV fund, rather than to the credit of the state highway fund.

SECTION 29. Amends Section 503.008(d), Transportation Code, to require that a fee collected under this section be deposited to the credit of TxDMV fund, rather than to the state highway fund.

SECTION 30. Amends Section 503.012, Transportation Code, to provide that Section 403.095 (Use of Dedicated Revenue), Government Code, does not apply to money received by TxDMV and deposited to the credit of TxDMV fund, rather than to the credit of the state highway fund, in accordance with this chapter.

SECTION 31. Amends Section 503.0615(f), Transportation Code, to make a conforming change.

SECTION 32. Amends Section 503.0618, Transportation Code, by adding Subsection (e), to require that a fee collected under this section be deposited to the credit of the TxDMV fund.

SECTION 33. Amends Section 503.063(g), Transportation Code, to require a dealer, for each buyer's temporary tag, to charge the buyer a registration fee of not more than \$5 as prescribed by TxDMV to be sent to the comptroller for deposit to the credit of the TxDMV fund, rather than to the credit of the state highway fund.

SECTION 34. Amends Section 503.065, Transportation Code, by adding Subsection (f), to require that a fee collected under this section be deposited to the credit of the TxDMV fund.

SECTION 35. Amends Section 504.002, Transportation Code, as follows:

Sec. 504.002. GENERAL PROVISIONS. Provides that unless expressly provided by this chapter or by TxDMV rule:

(1) except for license plates specified as exempt, the fee for issuance of a license plate, including replacement plates, is in addition to each other fee that is paid for at the time of the registration of the motor vehicle and is required to be deposited to the credit of the TxDMV, rather than to the credit of the state highway fund; and

(2)-(5) Makes no change to these subdivisions.

SECTION 36. Amends Section 504.007(c), Transportation Code, to require a county assessor-collector to retain \$2.50 of each fee collected under this section and forward the remainder of the fee to TxDMV for deposit to the credit of the TxDMV fund.

SECTION 37. Amends Sections 504.009(b) and (c), Transportation Code, as follows:

(b) Requires that the fee for a single souvenir license plate be deposited to the credit of the TxDMV fund unless the souvenir license plate is a replica of a specialty license plate issued under Subchapter G (Specialty License Plates for General Distribution) or I (Development of New Specialty License Plate) for which the fee is deposited to an

account other than the TxDMV fund, in which case a portion of the fee is required to go into a certain designated, and \$10 of the fee to the credit of the TxDMV fund. Makes conforming changes.

(c) Makes conforming changes.

SECTION 38. Amends Section 504.647(b), Transportation Code, to require that the fee be deposited to the credit of TxDMV fund, rather than to the credit of the state highway fund.

SECTION 39. Amends Section 504.801(e), Transportation Code, to make a conforming change.

SECTION 40. Amends Section 504.851(j), Transportation Code, to make a conforming change.

SECTION 41. Amends Section 520.001, Transportation Code, as follows:

Sec. 520.001. New heading: DEFINITIONS. Defines "board" in this chapter and makes a nonsubstantive change.

SECTION 42. Amends Section 520.005(c), Transportation Code, as follows:

(c) Authorizes the assessor-collector, notwithstanding the requirements of Section 520.0071, rather than notwithstanding the requirements of Sections 520.008 and 520.0091, to license franchised and non-franchised motor vehicle dealers to title and register motor vehicles in accordance with rules adopted under Section 520.004.

SECTION 43. Amends Section 520.006(a), Transportation Code, to require a county assessor-collector to retain an amount determined by the board under Section 502.1911, rather than receive a fee of \$1.90, for each receipt issued under Chapter 502 (Registration of Vehicles).

SECTION 44. Amends Subchapter A, Chapter 520, Transportation Code, by adding Section 520.0071, as follows:

Sec. 520.0071. DEPUTIES. (a) Requires the board by rule to prescribe the classification types of deputies performing titling and registration duties, the duties and obligations of deputies, the type and amount of any bonds that may be required by a county assessor-collector for a deputy to perform titling and registration duties, and the fees that may be charged or retained by deputies.

(b) Authorizes a county assessor-collector, with the approval of the commissioners court of the county, to deputize an individual or business entity to perform titling and registration services in accordance with rules adopted under Subsection (a).

SECTION 45. Amends Section 520.0093(e), Transportation Code, to require that all money collected under the lease be deposited to the credit of the TxDMV fund, rather than to the credit of the state highway fund.

SECTION 46. Amends Section 520.016(c), Transportation Code, to provide that this section does not apply to a violation of Section 520.006 or a rule adopted under Section 520.0071, rather than providing that this section does not apply to Section 520.006, 520.008, 520.009 (Limited Service Deputies), 520.0091, or 520.0092 (Acts by Deputy County Assessor-Collector).

SECTION 47. Amends Sections 621.351(a) and (c), Transportation Code, as follows:

(a) Authorizes TxDMV to establish one or more escrow accounts in the TxDMV fund, rather than in the state highway fund, for the prepayment of a fee for a permit issued by TxDMV that authorizes the operation of a vehicle and its load or a combination of vehicles and load exceeding size or weight limitations.

(c) Requires TxDMV to deposit each fee established under this section to the credit of the TxDMV fund, rather than to the credit of the state highway fund.

SECTION 48. Amends Section 621.352(a), Transportation Code, as follows:

(a) Authorizes the board by rule to establish fees for the administration of Section 621.003 (Reciprocal Agreement with Another State for Issuance of Permits) in an amount that, when added to the other fees collected by TxDMV, does not exceed the amount sufficient to recover the actual cost to TxDMV of administering that section. Requires that an administrative fee collected under this section be sent to the comptroller for deposit to the credit of the TxDMV fund, rather than to the state highway fund, and authorizes it to be appropriated only to TxDMV for the administration of Section 621.003.

SECTION 49. Amends Section 621.353(a), Transportation Code, to make a conforming change.

SECTION 50. Amends Section 621.354, Transportation Code, to require TxDMV, of each fee collected under Section 623.017 (Permit for Movement of Cylindrical Hay Bales), to deposit 90 percent, rather than each fee collected under Section 623.017, in the state treasury to the credit of the state highway fund, and 10 percent in the state treasury to the credit of the TxDMV fund.

SECTION 51. Amends Section 623.0111(c), Transportation Code, to require that of the fees collected under Subsection (a) (relating to certain provisions an applicant is required to complete when applying for a certain permit), certain amounts be deposited to the general revenue fund, 90 percent of the remainder be deposited to the credit of the state highway fund, and 10 percent of the remainder be deposited to the credit of the TxDMV fund.

SECTION 52. Amends Sections 623.014(c) and (d), Transportation Code, as follows:

(c) Requires TxDMV to issue the prorated credit if the person provides TxDMV with certain fees and documentation, including paying the fee adopted by the board, rather than TxDMV.

(d) Prohibits the fee adopted by the board, rather than TxDMV, under Subsection (c)(1) (relating to paying a fee adopted by the board) from exceeding the cost of issuing the credit. Requires that a fee collected by TxDMV under Subsection (c)(1) be deposited to the credit of the TxDMV fund.

SECTION 53. Amends Sections 623.0711(g) and (h), Transportation Code, as follows:

(g) Requires that an application for a permit under this section be accompanied by the permit fee established by TxDMV, in consultation with the Texas Transportation Commission (TTC), for the permit, not to exceed \$9,000. Requires TxDMV to send each fee to the comptroller, who is required to deposit 90 percent of the fee to the credit of the state highway fund and 10 percent of the fee to the credit of the TxDMV fund. Makes nonsubstantive changes.

(h) Requires TTC rules, to authorize TxDMV, in addition to the fee established under Subsection (g), to collect a consolidated permit payment for a permit under this section in an amount not to exceed 15 percent of the fee established under Subsection (g), of which 90 percent is required to be deposited to the credit of the state highway fund, and 10 percent is required to be deposited to the credit of the TxDMV fund.

SECTION 54. Amends Section 623.076, Transportation Code, by amending Subsections (a-1) and (c) and adding Subsection (b-1), as follows:

(a-1) Requires certain amounts collected under Subsection (a) to be deposited to the general revenue fund, 90 percent of the remainder to be deposited to the credit of the state highway fund, and 10 percent of the remainder to be deposited to the credit of the

TxDMV fund. Sets forth certain criteria for fees and amounts to be allocated to the general revenue fund.

(b-1) Requires TxDMV to deposit a fee collected under Subsection (b)(3), (relating to the authorization of the board to adopt rules that are authorized to require the payment of a discount or service charge for a credit card payment in addition to a certain fee) to the credit of the TxDMV fund.

(c) Requires TxDMV, of each fee collected under this subsection, to send any amount in excess of \$1,000 to the comptroller, who is required to deposit 90 percent of the excess to the credit of the state highway fund and 10 percent of the excess to the credit of the TxDMV fund. Makes nonsubstantive changes.

SECTION 55. Amends Section 623.077(b), Transportation Code, to require TxDMV to send each fee collected under Subsection (a) to the comptroller, who is required to deposit 90 percent of the fee to the credit of the state highway fund and 10 percent of the fee to the credit of the TxDMV fund.

SECTION 56. Amends Sections 623.096(a) and (c), Transportation Code, as follows:

(a) Requires \$19.70 of each fee to be deposited to the credit of the general revenue fund and, of the remainder, requires that 90 percent be deposited to the credit of the state highway fund and 10 percent be deposited to the credit of the TxDMV fund.

(c) Authorizes TxDMV to establish an escrow account within the TxDMV fund for the payment of permit fees.

SECTION 57. Amends Section 623.124(b), Transportation Code, as follows:

(b) Requires the comptroller, of each fee received from TxDMV, to deposit:

(1) \$7.50 to the credit of the general revenue fund; and

(2) of the remainder, 90 percent, rather than \$7.50, to the credit of the state highway fund and 10 percent to the credit of the TxDMV fund.

Makes nonsubstantive changes.

SECTION 58. Amends Section 623.147, Transportation Code, as follows:

Sec. 623.147. New heading: DEPOSIT OF FEE IN STATE HIGHWAY FUND AND IN TEXAS DEPARTMENT OF MOTOR VEHICLES FUND. Requires a fee collected under this subchapter to be deposited as follows:

(1) 90 percent to the credit of the state highway fund; and

(2) 10 percent to the credit of the TxDMV fund.

SECTION 59. Amends Section 623.182(b), Transportation Code, as follows:

(b) Requires the comptroller, of each fee received from TxDMV, to deposit \$50 to the credit of the general revenue fund and of the remainder to deposit:

(1) 90 percent, rather than \$50, to the credit of the state highway fund; and

(2) 10 percent to the credit of the TxDMV fund.

SECTION 60. Amends Section 623.197, Transportation Code, as follows:

Sec. 623.197. New heading: DEPOSIT OF FEE IN STATE HIGHWAY FUND AND IN TEXAS DEPARTMENT OF MOTOR VEHICLES FUND. Requires a fee collected under this subchapter to be deposited as follows:

- (1) 90 percent to the credit of the state highway fund; and
- (2) 10 percent to the credit of the TxDMV fund.

SECTION 61. Amends Section 623.273, Transportation Code, by adding Subsection (e), to require that money collected by TxDMV under Subsection (d) (relating to the authorization of the attorney general and TxDMV to recover reasonable expenses incurred in obtaining injunctive relief) be deposited to the credit of the TxDMV fund.

SECTION 62. Amends Section 643.004(b), Transportation Code, as follows:

(b) Authorizes TxDMV to establish one or more escrow accounts in the TxDMV fund, rather than in the state highway fund, for the prepayment of a fee under this chapter. Requires that prepaid fees and any fees established by TxDMV for the administration of this section be:

- (1) administered under an agreement approved by TxDMV; and
- (2) deposited to the credit of the TxDMV fund, rather than to the credit of the state highway fund, to be appropriated only to TxDMV for the purposes of administering this chapter.

Makes a conforming change.

SECTION 63. Amends Section 645.002(c), Transportation Code, to make conforming changes.

SECTION 64. Amends Section 646.001, Transportation Code, to define "department" to make a nonsubstantive change.

SECTION 65. Amends Sections 646.003(a) and (c), Transportation Code, as follows:

- (a) Makes a conforming change.
- (c) Requires TxDMV to deposit a fee collected under this subsection to the credit of the TxDMV fund.

SECTION 66. Amends Section 681.005, Transportation Code, to require each county assessor-collector to send to TxDMV each fee collected under Section 681.003 (Parking Placard Application), to be deposited in the TxDMV fund, rather than to be deposited in the state highway fund, to defray the cost of providing the disabled parking placard.

SECTION 67. Amends Section 683.052(d), Transportation Code, to make a conforming change.

SECTION 68. Amends Section 1001.007(b), Transportation Code, to require that money collected by TxDMV under this section be deposited to the credit of the TxDMV fund, rather than to the credit of the state highway fund, for use by TxDMV in supporting TxDMV's operations and the administration of TxDMV's functions.

SECTION 69. Amends Section 1001.009(d), Transportation Code, to make a conforming change.

SECTION 70. Amends Subchapter A, Chapter 1001, Transportation Code, by adding Section 1001.013, as follows:

Sec. 1001.013. PERFORMANCE OF CERTAIN DEPARTMENT FUNCTIONS BY AUTHORIZED BUSINESS. (a) Authorizes the executive director of TxDMV to

authorize a business entity to perform a TxDMV function in accordance with rules adopted under Subsection (b).

(b) Requires the board by rule to prescribe the classification types of businesses that are authorized to perform certain TxDMV functions, the duties and obligations of an authorized business, the type and amount of any bonds that may be required for a business to perform certain functions, and the fees that may be charged or retained by a business authorized under this section.

SECTION 71. Amends Chapter 1001, Transportation Code, by adding Subchapter E, as follows:

SUBCHAPTER E. TEXAS DEPARTMENT OF MOTOR VEHICLES FUND

Sec. 1001.151. TEXAS DEPARTMENT OF MOTOR VEHICLES FUND. (a) Provides that the TxDMV fund is a special fund in the treasury outside the general revenue fund and the state highway fund.

(b) Provides that the fund, except as provided by Subsection (c), and unless otherwise dedicated by the Texas Constitution, consists of money appropriated by the legislature to TxDMV; money allocated to pay fund accounting costs and related liabilities of the fund; gifts, grants, and donations received by TxDMV; money required by law to be deposited to the fund; interest earned on money in the fund; and other revenue received by TxDMV.

(c) Prohibits money appropriated to TxDMV for Automobile Burglary and Theft Prevention Authority purposes and other revenue collected or received by the Automobile Burglary and Theft Prevention Authority from being deposited into the fund.

Sec. 1001.152. USE OF MONEY IN FUND. Authorizes money that is required to be deposited in the state treasury to the credit of the TxDMV fund to be used by TxDMV only to support TxDMV's operations and the administration and enforcement of TxDMV's functions, or to pay the accounting costs and related liabilities for the fund, including fringe benefits, workers' compensation, and unemployment compensation.

Sec. 1001.153. APPLICABILITY OF OTHER LAW. Provides that Subchapter D (Appropriation of Unobligated Fund Balances to General Revenue Fund), Chapter 316 (Appropriations), Government Code, and Section 403.095, Government Code, do not apply to the fund created under Section 1001.151.

SECTION 72. Repealers: Sections 520.1982 (Disposition of Optional County Road and Bridge Fee), 520.008 (Full-Service Deputies), 520.009 (Limited Service Deputies), 520.0091 (Deputy Assessor-Collectors), and 520.0092 (Acts by Deputy County Assessor-Collector), Transportation Code.

SECTION 73. (a) Requires \$59 million of existing revenue from fees collected or received by TxDMV under Section 502.356, Transportation Code, and former Section 502.1705 (Redesignated as V.T.C.A., Transportation Code § 502.356 and amended by Acts 2011, 82nd, Legislature, Chapter 1296 (H.B. 2357), § 130, eff. January 1, 2012), Transportation Code, from November 1, 2009, to August 31, 2013, on September 1, 2013, to be transferred to and deposited in the fund established under Section 1001.151, Transportation Code, as added by this Act.

(b) Provides that, to the extent that revenue required to be deposited to the credit of TxDMV fund under Subsection (a) of this section was, before September 1, 2013, being used as collateral or a source of payment for the repayment of any loans, bonds, credit agreements, public securities, or other obligations, that revenue remains subject to being used as collateral or a source of payment for those obligations. Requires that an obligation described by this subsection first be paid from the state highway fund, and provides that the TxDMV fund is subject to the obligation only to the extent the state highway fund is depleted at the time the obligation matures and becomes due.

(c) Authorizes a deputy appointed under Section 520.0091, Transportation Code, on or before August 31, 2013, to continue to perform the services authorized under Sections 520.008, 520.009, 520.0091, and 520.0092, Transportation Code, until the effective date of the rules adopted by the board of TxDMV regarding the types of deputies authorized to perform titling and registration duties under Section 520.0071, Transportation Code, as added by this Act.

SECTION 74. (a) Effective date, except as provided by Subsection (b) of this section: September 1, 2013.

(b) Effective date, Sections 502.197(a) and (b) and 520.006, Transportation Code, as amended by this Act: the date the board adopts rules regarding the registration processing and handling fee under Section 502.1911, Transportation Code, as added by this Act.