

AN ACT

relating to the transfer of registration and removal of license plates for the sale or transfer of used vehicles.

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

SECTION 1. Section 502.180(b), Transportation Code, is amended to read as follows:

(b) Subject to Subchapter I, the ~~[The]~~ department shall issue only one license plate or set of plates for a vehicle during a five-year period.

SECTION 2. Chapter 502, Transportation Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. REGISTRATION TRANSFER AND REMOVAL OF LICENSE PLATES
FOR THE SALE OR TRANSFER OF USED VEHICLES

Sec. 502.451. TRANSFER OF VEHICLE REGISTRATION AND REMOVAL OF LICENSE PLATES. (a) On the sale or transfer of a motor vehicle to a dealer, as defined by Section 503.001, who holds a general distinguishing number issued under Chapter 503, the dealer shall remove each license plate and the registration insignia issued for the motor vehicle.

(a-1) On a sale or transfer of a motor vehicle to a person that does not hold a general distinguishing number issued under Chapter 503, the seller or transferor may remove each license plate and the registration insignia issued for the motor vehicle.

(b) A license plate removed from a motor vehicle under

1 Subsection (a) or (a-1) must be:

2 (1) disposed of in the manner specified by the
3 department; or

4 (2) transferred to another vehicle owned by the seller
5 or transferor as provided by Section 502.452.

6 (c) The part of the registration period remaining at the
7 time of the sale or transfer shall continue with the vehicle being
8 sold or transferred and does not transfer with the license plates or
9 registration validation insignia. To continue the remainder of the
10 registration period, the purchaser or transferee must file the
11 documents required under Section 520.031.

12 Sec. 502.452. TRANSFER OF REMOVED PLATES. (a) A person may
13 use license plates removed from a vehicle under Section 502.451 on
14 another motor vehicle that is titled in the person's name after the
15 person:

16 (1) obtains:

17 (A) the department's approval of an application
18 to transfer the license plates; and

19 (B) a new registration insignia for the motor
20 vehicle; and

21 (2) pays the appropriate fees required under Section
22 502.453.

23 (b) A person may use the license plates removed from a motor
24 vehicle under Section 502.451 on a new motor vehicle purchased from
25 a dealer licensed under Chapter 503 after the person:

26 (1) obtains the department's approval of a title and
27 registration application; and

1 (2) pays the applicable title and vehicle registration
2 fees and the transfer fee required under Section 502.453.

3 Sec. 502.453. FEES REQUIRED FOR TRANSFER OF LICENSE PLATE
4 AND REGISTRATION INSIGNIA. The fee for transferring license plates
5 and receiving a new registration insignia under this subchapter
6 from one motor vehicle to another vehicle that is titled in the name
7 of the transferor is \$5.00.

8 Sec. 502.454. TEMPORARY PERMIT FOR A VEHICLE PURCHASED IN A
9 PRIVATE PARTY TRANSACTION. (a) A purchaser or transferee may
10 obtain from the department a temporary single-trip permit to
11 operate a motor vehicle:

12 (1) that is subject to registration in this state;

13 (2) from which the license plates and the registration
14 insignia have been removed as authorized by Section 502.451(a-1);
15 and

16 (3) that is not authorized to travel on a public
17 roadway because the required license plates and the registration
18 insignia are not attached to the vehicle.

19 (b) The department may issue the permit in accordance with
20 this section.

21 (c) A permit issued under this section is valid for one trip
22 between the point of origin and the destination and those
23 intermediate points specified in the permit.

24 (d) A permit issued under this section may not be valid for
25 longer than a five-day period.

26 (e) A person may obtain a permit under this section by
27 applying, on a form provided by the department, to the department.

1 Application may be made using the department's Internet website.

2 (f) A person is eligible to receive only one permit under
3 this section for a motor vehicle.

4 (g) A permit receipt issued under this section must be on a
5 form provided by the department. The receipt must contain the
6 information required by this section and shall be carried in the
7 vehicle at all times during which it is valid.

8 (h) The department may refuse to issue a permit under this
9 section for any vehicle if in the department's opinion the
10 applicant has been involved in operations that constitute an abuse
11 of the privilege granted under this section.

12 Sec. 502.455. APPLICATION OF SUBCHAPTER; TEMPORARY
13 PROVISION. (a) This subchapter applies only to passenger cars and
14 light trucks.

15 (b) To be eligible for transfer under this subchapter,
16 license plates must be appropriate for the class of vehicle to which
17 the plates are being transferred.

18 (c) This section expires August 31, 2011.

19 Sec. 502.456. DEPARTMENT SUPPORT. (a) The department may
20 enter into a system design contract to determine the feasibility
21 and benefits of an electronic registration and title system to
22 facilitate the registration and titling of motor vehicles under
23 this subchapter.

24 (b) Subsection (a) may not be construed to authorize the
25 department to implement a system or enter into a contract for the
26 implementation of a system that affects the issuance of temporary
27 license tags under Chapter 503.

1 SECTION 3. Section 520.021, Transportation Code, is
2 repealed.

3 SECTION 4. This Act takes effect January 1, 2008.

President of the Senate

Speaker of the House

I certify that H.B. No. 310 was passed by the House on April 4, 2007, by the following vote: Yeas 129, Nays 16, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 310 on May 3, 2007, by the following vote: Yeas 136, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 310 was passed by the Senate, with amendments, on April 30, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor