

BILL ANALYSIS

Senate Research Center

S.B. 1504
By: Harris
Infrastructure Development and Security
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Enrolled

DIGEST AND PURPOSE

Chapter 2301 of the Occupations Code imposes licensing requirements on, and regulates the relations between and among, motor vehicle manufacturers, distributors, dealers, lessors, and lease facilitators. S.B. 1504 provides conforming and corrective amendments to Chapter 2301, Occupations Code.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subdivisions (6) and (16), Section 2301.002, Occupations Code, as follows:

(6) Redefines “converter.”

(16) Redefines “franchised dealer.”

SECTION 2. Amends Subdivision (23), Section 2301.002, Occupations Code, to more closely conform to the law from which it was derived, and further, to redefine “motor vehicle.”

SECTION 3. Amends Subdivision (32), Section 2301.002, Occupations Code, to redefine “towable recreational vehicle.”

SECTION 4. Amends Section 2301.153(a), Occupations Code, to add Subdivision (10) to provide that, notwithstanding any other law, the Motor Vehicle Board (MVB) of the Texas Department of Transportation has all powers necessary, incidental, or convenient to perform a power or duty expressly granted under this chapter, including the power to accept a donation, including a contribution of property or services. Redesignates Subdivisions (10) - (21) as (11) - (22).

SECTION 5. Amends Subchapter D, Chapter 2301, Occupations Code, by adding Section 2301.161, as follows:

Sec. 2301.161. CONFIDENTIALITY OF INFORMATION RELATING TO LICENSE HOLDERS AND APPLICANTS. (a) Provides that information contained in an application for a license under this chapter and other information relating to a license holder or license applicant that is on file with MVB is confidential and not open to public inspection.

(b) Authorizes information made confidential by this section to be disclosed in a judicial or administrative proceeding in accordance with a lawful subpoena.

SECTION 6. Amends Section 2301.251(a), Occupations Code, to include an exception as provided by this subchapter.

SECTION 7. Amends Section 2301.252, Occupations Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Provides that for purposes of this section, the make of an ambulance is that of the ambulance manufacturer, and the make of a fire-fighting vehicle is that of the fire-fighting vehicle manufacturer.

(c) Defines “ambulance manufacturer” and “fire-fighting vehicle manufacturer.”

SECTION 8. Amends Subchapter F, Chapter 2301, Occupations Code, by adding Section 2301.267, as follows:

Sec. 2301.267. TEMPORARY OPERATION OF DEALERSHIP WITH PENDING APPLICATION. (a) Authorizes a person to engage in the business of operating a dealership for which the person’s license application is pending if the person meets the requirements of this section.

(b) Sets forth criteria for a person to qualify for this exception.

(c) Provides that this section does not affect MVB’s right to deny the application.

SECTION 9. Amends Section 2301.301(c), Occupations Code, to except the fee required for an application to relocate a dealership in a municipality in which the dealership is located from the requirement that the fee for a license be prorated.

SECTION 10. Amends Section 2301.476, Occupations Code, by adding Subsection (i), to authorize a manufacturer or distributor to own an interest in a dealer who has certain characteristics.

SECTION 11. Amends Section 2301.705(b), Occupations Code, to require notice to be given by certified mail, return receipt requested, unless the person to whom notice is given resides outside the United States. Requires notice to a person outside the United States to be given by registered mail, return receipt requested, or by a private carrier who offers confirmation of delivery.

SECTION 12. Amends Section 2301.803(c), Occupations Code, to authorize a person affected by a statutory stay imposed by this chapter to request a hearing before the entity that imposed the stay, rather than initiate a proceeding before MVB, to modify, vacate, or clarify the extent and application of the statutory stay.

SECTION 13. (a) Provides that, in accordance with Section 311.031(c), Government Code, which gives effect to a substantive amendment enacted by the same legislature that codifies the amended statute, certain textual modifications set out in this Act give effect to changes made by Chapter 155, Acts of the 77th Legislature, Regular Session, 2001.

(b) Provides that, to the extent of any conflict, this Act prevails over another Act of the 78th Legislature, Regular Session, 2003, relating to nonsubstantive additions and corrections in enacted codes.

SECTION 14. Effective date: September 1, 2003.