

By: Noriega

H.B. No. 602

A BILL TO BE ENTITLED

AN ACT

relating to the operation of a motor vehicle title service.

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

SECTION 1. Sections 520.052, 520.053, and 520.057, Transportation Code, are amended to read as follows:

Sec. 520.052. APPLICABILITY. This subchapter applies only to any motor vehicle title service operating in a county:

(1) that has a population of more than 2.8 million; or

(2) in which the commissioners court by order has adopted this subchapter.

Sec. 520.053. LICENSE REQUIRED. A person may not act as a motor vehicle title service or act as an agent for that business unless that person holds a license issued under this subchapter. The person shall obtain a separate license for each office at which the person acts as a motor vehicle title service or acts as an agent for a motor vehicle title service.

Sec. 520.057. RECORDS. (a) A holder of a motor vehicle title service license shall maintain records as required by this section on a form prescribed and made available by the county tax assessor-collector for each transaction in which the license holder receives compensation. The form adopted by the county tax assessor-collector shall be designed to allow the holder of a motor vehicle title service license to record multiple transactions on the same form. The records shall be kept at the motor vehicle title

1 service office from which the title documents are requested and
2 shall include:

3 (1) the date of the transaction;

4 (2) the name, age, address, sex, and driver's license
5 number of the person requesting assistance from the motor vehicle
6 title service [~~and a legible photocopy of the driver's license for~~
7 ~~each customer~~]; and

8 (3) the license plate number and [~~and~~] vehicle
9 identification number [~~and a legible photocopy of proof of~~
10 ~~financial responsibility~~] for the motor vehicle involved.

11 (b) A motor vehicle title service shall keep:

12 (1) two copies of all records required under this
13 section for at least two years after the date of the transaction;

14 (2) a legible copy [~~photocopies~~] of any document
15 [~~documents~~] submitted by a person requesting assistance from a
16 motor vehicle title service [~~customer~~]; [~~and~~]

17 (3) a legible copy [~~photocopies~~] of any document
18 [~~documents~~] submitted to the county tax assessor-collector;

19 (4) a legible copy of the driver's license of the
20 person requesting assistance from a motor vehicle title service;
21 and

22 (5) a legible copy of evidence of financial
23 responsibility for the vehicle for which a title document is
24 applied for, if the application for the title document must be
25 accompanied by evidence of financial responsibility that complies
26 with Chapter 601.

27 SECTION 2. Section 520.059(b), Transportation Code, is

1 amended to read as follows:

2 (b) The county tax assessor-collector shall adopt rules
3 that establish grounds for the denial, suspension, revocation, or
4 reinstatement of a license and rules that establish procedures for
5 disciplinary action. The tax assessor-collector of a county that
6 adopts this subchapter after September 1, 2003, must adopt the
7 rules adopted by the Harris County tax assessor-collector. Changes
8 to procedures [~~Procedures~~] issued by Harris County under this
9 subchapter are subject to Chapter 2001, Government Code.

10 SECTION 3. Section 520.063, Transportation Code, is amended
11 to read as follows:

12 Sec. 520.063. EXEMPTIONS. (a) The following persons and
13 their agents are exempt from the licensing and other requirements
14 established by this subchapter:

15 (1) a franchised motor vehicle dealer or independent
16 motor vehicle dealer who holds a general distinguishing number
17 issued by the department under Chapter 503;

18 (2) a [~~motor~~] vehicle lessor holding a license issued
19 by the motor vehicle board of the department [~~Motor Vehicle Board~~]
20 under Chapter 2301, Occupations [~~the Texas Motor Vehicle~~
21 ~~Commission~~] Code [~~(Article 4413(36), Vernon's Texas Civil~~
22 ~~Statutes)~~] or a trust or other entity that is specifically not
23 required to obtain a vehicle lessor license under Section 2301.254
24 [~~4.01(a)~~] of that chapter [~~Act~~]; and

25 (3) a vehicle lease facilitator holding a license
26 issued by the motor vehicle board of the department [~~Motor Vehicle~~
27 ~~Board~~] under Chapter 2301, Occupations [~~the Texas Motor Vehicle~~

1 ~~Commission]~~ Code [~~(Article 4413(36), Vernon's Texas Civil~~
2 ~~Statutes)]~~.

3 (b) For purposes of Subsection (a), a motor vehicle title
4 service is not an agent of an exempt entity unless:

5 (1) the person offering the assistance is an employee
6 of the exempt entity; or

7 (2) the person offering the assistance can provide
8 proof that the person is authorized by the exempt entity to offer
9 the assistance on behalf of the entity.

10 SECTION 4. Section 520.060(f), Transportation Code, is
11 repealed.

12 SECTION 5. This Act takes effect September 1, 2003.