

## **BILL ANALYSIS**

H.B. 372  
By: Hodge  
Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, some used car dealerships, referred to as "tote the note" dealerships, refuse to fully disclose a vehicle's condition to the buyer. Many times, the dealerships also refuse to allow a potential purchaser to have the vehicle inspected by an independent inspector away from the premises where the vehicle is offered for sale.

H.B. 372 will require persons engaged in the business of selling used motor vehicles to provide to the potential purchaser a complete and detailed statement of the vehicle's condition and will allow the potential purchaser to arrange for an inspection of the vehicle, including an inspection to be conducted away from the premises where the vehicle is offered for sale.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 372 requires a person engaged in the business of selling used motor vehicles to provide to a potential purchaser a complete and detailed statement of the vehicle's condition and permits a potential purchaser to arrange for the reasonable inspection of the vehicle, including an inspection to be conducted away from the premises where the vehicle is offered for sale. H.B. 372 sets forth requirements that must be included on the statement and does not prohibit the seller from imposing reasonable conditions on the time, place, and manner of the inspection.

### **EFFECTIVE DATE**

September 1, 2007.