

BILL ANALYSIS

C.S.H.B. 2295
By: Driver
Law Enforcement
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Some car keys contain a computer chip that is recognized by the vehicle's ignition and lock system. A motorists who has this type of key stolen, broken, or lost may face long delays, inconvenience, and substantial expense in replacing it.

C.S.H.B. 2295, as proposed, creates new law that requires an automobile manufacturer to provide, to a locksmith who meets certain criteria, the necessary access information to produce a replacement key for the owner of a passenger car and places requirements on a locksmith who receives the information.

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

SECTION 1. Adds Section 2301.479 to Subchapter J, Chapter 2301, Occupations Code.

The bill adds the following definitions to that section: "access information," "locksmith," and "owner." The new section applies only to a motor vehicle other than a motorcycle used to transport 10 or fewer persons and of a make of which at 1,000 or more vehicles were sold or leased in the state in the preceding calendar year. A manufacturer shall issue a registration number and security password to each locksmith who applies for a registration number. A manufacturer shall provide access information by phone or electronically, at any time, to a locksmith who meets certain conditions of security and authentication. A manufacturer that complies with the section is not liable for the theft of the motor vehicle for which access information is provided. The bill also sets out the security and authentication requirements a locksmith must fulfill before requesting access information from a manufacturer. The locksmith is required to provide the access information to the owner and destroy any access information in the locksmith's possession after providing a replacement key or owner access. Except in the case of fraud or misappropriation of access information by the locksmith, a locksmith is relieved of liability for the theft of the motor vehicle for which access information is provided following the section. A manufacturer shall retain and make available under this section access information for 25 years from the date the vehicle is manufactured. A manufacturer may perform the duties directly or through a contract with an agent to perform the duties required by this section. A manufacturer is not required to provide access information for a motor vehicle manufactured before January 1, 2008, if the manufacturer does not possess access information for the vehicle on that date.

SECTION 2. This Act takes effect January 1, 2008.

EFFECTIVE DATE

January 1, 2008.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute differs from the original in that the original bill contains a section that describes the purpose of the Act; the substitute does not. The stipulations describing which motor vehicles Occupations Code Section 2301.479 applies to also differ between the original and the substitute.

The substitute further differs from the original in that the substitute authorizes a locksmith to access information from a manufacturer only upon the request of the owner of the motor vehicle or the owners spouse or child if the individual is named on an insurance policy covering the vehicle. The substitute also specifies documents which a locksmith is required to have inspected prior to requesting access to information from a manufacturer.

The substitute also states that after producing a replacement key or otherwise providing the owner access to a motor vehicle, the locksmith shall provide the access information to the owner and destroy any access information in the locksmith's possession; the original bill specifically referred to a "passenger car" in this subsection as opposed to a motor vehicle in general.

The substitute further differs from the original in that it provides that a manufacturer is not required to provide access information for a motor vehicle manufactured before January 1, 2008, if the manufacturer does not possess access information for the vehicle on that date.

The substitute's effective date also differs from that of the original.