

BILL ANALYSIS

S.B. 1617
By: Wentworth
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law a motor vehicle manufacturer may be forced to repurchase a defective motor vehicle, however the current mechanism in place is not sufficient to put subsequent purchasers of the vehicle on notice.

Sellers of motor vehicles are often subject to civil or criminal liability arising from the ownership of a vehicle even though the seller did not own the vehicle at the time of the event that triggered the liability. Parking and toll violations are the most common activities. Under current law a seller can notify the Texas Department of Transportation (TxDOT) of the sale of the vehicle before formal title transfer, but the presumption created by this provision does not operate in every situation and involves bureaucratic activities the seller should not be forced to endure.

S.B. 1617 requires a certificate of title to include a notice sufficient to inform a purchaser that the vehicle has been the subject to an ordered repurchase or replacement. The bill provides that a transferor of a used motor vehicle who files the appropriate form has no vicarious civil or criminal liability arising out of the use, operation, or abandonment of the vehicle by another person. The bill establishes that provisions relating to a county collector-assessor's or TxDOT's authority to refuse to register a motor vehicle if the owner has certain outstanding traffic violations do not apply to the registration of a motor vehicle by a dealer.

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

S.B. 1617 amends the Transportation Code to require a certificate of title for a motor vehicle that has been the subject of an ordered repurchase or replacement under provisions relating to the licensing and regulation of motor vehicle manufacturers, distributors, converters, and dealers to contain on its face a notice sufficient to inform a purchaser that the vehicle has been the subject of an ordered repurchase or replacement.

S.B. 1617 establishes that a transferor of a used motor vehicle who files the appropriate form with the Texas Department of Transportation (TxDOT), has no vicarious civil or criminal liability arising out of the use, operation, or abandonment of the vehicle by another person. The bill provides that proof by the transferor that the transferor filed the form is a complete defense to an action brought against the transferor for an act or omission, civil or criminal, arising out of the use, operation, or abandonment of the vehicle by another person after the transferor filed the form. The bill establishes that a copy of the form filed under these provisions is proof of the filing of the form.

S.B. 1617 establishes that provisions relating to a county assessor-collector's or TxDOT's authority to refuse to register a motor vehicle if the owner of the vehicle has an outstanding warrant from a municipality for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law do not apply to the registration of a motor vehicle by a dealer. The bill establishes that provisions relating to a county assessor-collector's or TxDOT's authority to refuse to register a motor vehicle owned by an individual delinquent in the payment of a civil penalty for an alleged violation of a traffic control signal as detected through a photographic traffic signal enforcement system do not apply to the registration of a motor vehicle by a dealer.

EFFECTIVE DATE

September 1, 2009.