

By: Harper-Brown, Fletcher

H.B. No. 3298

A BILL TO BE ENTITLED

AN ACT

relating to the transfer of certain vehicle registrations at the time of sale of the vehicle.

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

SECTION 1. Section 502.451, Transportation Code, is amended by amending Subsections (a), (a-1), and (c) and adding Subsection (a-2) to read as follows:

(a) On the sale or transfer of a motor vehicle to a dealer, as defined by Section 503.001, who holds a general distinguishing number issued under Chapter 503, the dealer shall remove each license plate and the registration insignia issued for the motor vehicle. The registration period remaining at the time of sale or transfer expires at the time of sale or transfer.

(a-1) On the sale of a used motor vehicle by a dealer, the dealer shall issue to the buyer new registration documents for an entire registration year.

(a-2) On a sale or transfer of a motor vehicle to a person that does not hold a general distinguishing number issued under Chapter 503, the seller or transferor may remove each license plate and the registration insignia issued for the motor vehicle.

(c) On a sale or transfer of a motor vehicle in which neither party holds a general distinguishing number issued under Chapter 503, the [The] part of the registration period remaining at the time of the sale or transfer shall continue with the vehicle being sold

1 or transferred and does not transfer with the license plates or
2 registration validation insignia. To continue the remainder of
3 the registration period, the purchaser or transferee must file the
4 documents required under Section 520.031.

5 SECTION 2. This Act takes effect September 1, 2011.