

AN ACT

relating to the regulation of certain motor vehicle dealers;
waiving certain fees.

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

SECTION 1. Subchapter B, Chapter 501, Transportation Code,
is amended by adding Section 501.0236 to read as follows:

Sec. 501.0236. ISSUANCE OF TITLE AND PERMITS WHEN DEALER
GOES OUT OF BUSINESS. (a) This section applies only to a person who
is the purchaser of a motor vehicle for which the dealer:

(1) is required to apply for a title for the vehicle
under Section 501.0234; and

(2) does not apply for the title because the dealer has
gone out of business.

(b) A purchaser to whom this section applies may apply for:

(1) a title in the manner prescribed by the department
by rule; and

(2) on expiration of the buyer's tag issued to the
purchaser under Section 503.063, a 30-day permit under Section
502.095.

(c) An application for a title under this section must
include a release of any recorded lien on the motor vehicle unless
the only recorded lienholder is a dealer described by Subsection
(a).

(d) The department shall waive the payment of fees for:

1 (1) a title issued to a purchaser described by this
2 section, if the purchaser can show that fees for a title were paid
3 to the dealer; and

4 (2) one 30-day permit issued to a purchaser described
5 by this section.

6 (e) Notwithstanding Section 503.033(e), the department may
7 recover against the surety bond executed by the dealer under
8 Section 503.033 the amount of any fee waived for a title or permit
9 issued under this section.

10 (f) The department shall adopt the rules necessary to
11 implement this section.

12 SECTION 2. Section 503.027(a), Transportation Code, is
13 amended to read as follows:

14 (a) A ~~[If a dealer consigns for sale more than five vehicles~~
15 ~~in a calendar year from a location other than the location for which~~
16 ~~the dealer holds a general distinguishing number, the]~~ dealer must
17 ~~[also]~~ hold a general distinguishing number for a ~~[the]~~ consignment
18 location unless the consignment location is a wholesale motor
19 vehicle auction.

20 SECTION 3. This Act takes effect September 1, 2019.

H.B. No. 3842

President of the Senate

Speaker of the House

I certify that H.B. No. 3842 was passed by the House on April 30, 2019, by the following vote: Yeas 131, Nays 15, 1 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 3842 on May 24, 2019, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 3842 on May 26, 2019, by the following vote: Yeas 128, Nays 14, 1 present, not voting.

Chief Clerk of the House

H.B. No. 3842

I certify that H.B. No. 3842 was passed by the Senate, with amendments, on May 22, 2019, by the following vote: Yeas 27, Nays 4; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 3842 on May 25, 2019, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor