

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 15, 2019**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **SB1193** by Flores (Relating to the liability of and issuance of titles and permits for motor vehicles purchased from motor vehicle dealers that go out of business.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 501 of the Transportation Code to establish provisions for the issuance of a vehicle title and a 30-day permit to the purchaser of a vehicle for which the dealer is required to apply for a title for the vehicle but does not apply for the title because the dealer has gone out of business. The bill would authorize the Department of Motor Vehicles (DMV) to waive the fee for the title if the purchaser can show that fees for a title were paid to the dealer and waive the fee for one 30-day permit issued to the purchaser. The bill would authorize DMV to recover against a dealer's security bond the amount of any fee waived for the title or permit under the provisions of the bill. The bill would amend Chapter 503, Transportation Code, to increase the amount of the surety bond that a dealer must hold in order to renew or receive their dealer's general distinguishing number.

DMV anticipates one-time information technology programming costs would be incurred to implement the bill. Based on LBB's analysis of information provided by DMV, it is assumed the provisions of the bill would not result in a significant fiscal impact to the State and any costs associated with implementation would be absorbed within the agency's existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 608 Department of Motor Vehicles

**LBB Staff:** WP, JGAn, TG