

BILL ANALYSIS

Senate Research Center
87R13922 TYPED

H.B. 3429
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Transportation
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, Texas independent automobile dealers who purchase vehicles from one state, with the intent to sell the vehicles in another state, are required to obtain a Texas state inspection prior to the issuance of a temporary buyer's tag. A majority of these vehicles are reconditioned and prepared for sale outside of Texas, never crossing state lines. This requirement in statute has created a confusing and burdensome process for both automobile dealers and consumers.

H.B. 3429 seeks to amend the Transportation Code to authorize a vehicle to be issued and display a buyer's tag without satisfying vehicle inspection requirements if the following conditions are met:

the buyer of the vehicle is not a Texas resident;

at the time of purchase, the vehicle is not located or required to be titled or registered in Texas; and

the vehicle will be titled, registered, and inspected in accordance with the laws of the buyer's state of residence, as applicable.

H.B. 3429 amends current law relating to inspection requirements for buyer's temporary tags for vehicles sold to nonresident buyers of certain vehicles.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 503.063, Transportation Code, by adding Subsection (i), as follows:

(i) Authorizes a vehicle to be issued and display a buyer's tag without satisfying the inspection requirements of Chapter 548 (Compulsory Inspection of Vehicles) if:

(1) the buyer of the vehicle is not a resident of this state; and

(2) the vehicle:

(A) at the time of purchase, is not located or required to be titled or registered in this state;

(B) will be titled and registered in accordance with the laws of the buyer's state of residence; and

(C) will be inspected in accordance with the laws of the buyer's state of residence, if the laws of that state require inspection.

SECTION 2. Effective date: upon passage or September 1, 2021.