BILL ANALYSIS

Senate Research Center

H.B. 3927 By: Hefner (Nichols) Transportation 5/13/2021 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been suggested that more tools are necessary in order for law enforcement agencies and the Texas Department of Motor Vehicles (TxDMV) to enforce laws and regulations relating to the unlawful sale and use of temporary tags. Unlawfully obtained temporary tags can be used in furtherance of criminal behavior such as kidnapping and trafficking and it has been noted that the unlawful sale of temporary tags has become a source of income for criminals who often engage in this behavior. Some criminals have even gained access to the TxDMV WebDealer system, a loophole which allows them to sell temporary tags on the black market with no intention of running a legitimate dealer business. The bill seeks to address these issues by clarifying and strengthening current law intended to suppress this unlawful behavior.

H.B. 3927 amends current law relating to the issuance and use of certain temporary motor vehicle tags and the classification of temporary motor vehicle tags as governmental records for purposes of certain criminal offenses.

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 503.0626(c), Transportation Code, as follows:

(c) Authorizes the Texas Department of Motor Vehicles (TxDMV) to deny access, rather than prohibits TxDMV from denying access, to the dealer's and converter's temporary tag database to any dealer who holds a general distinguishing number issued under Chapter 503 (Dealer's and Manufacturer's Vehicle License Plates) or who is licensed under Chapter 2301 (Sale or Lease of Motor Vehicles), Occupations Code, or to any converter licensed under Chapter 2301, Occupations Code.

SECTION 2. Amends Section 503.0631(c), Transportation Code, as follows:

(c) Authorizes TxDMV to deny access, rather than prohibits TxDMV from denying access, to the buyer's temporary tag database to any dealer who holds a general distinguishing number issued under Chapter 503 or who is licensed under Chapter 2301, Occupations Code.

SECTION 3. Amends Sections 503.067(b) and (d), Transportation Code, as follows:

- (b) Prohibits a person from operating a vehicle that displays:
 - (1) a temporary tag in violation of Chapter 503 or Chapter 502 (Registration of Vehicles); or
 - (2) any other unauthorized temporary tag.
- (d) Prohibits a person from selling or distributing a temporary tag or an item represented to be a temporary tag unless the person is a dealer issuing the tag in connection with the sale of a vehicle. Deletes existing text prohibiting a person from selling or distributing a temporary tag or an item represented to be a temporary tag unless the person is a printer

or distributor engaged in the business of selling temporary tags solely for uses authorized under Chapter 503.

SECTION 4. Amends Section 37.01(2), Penal Code, to redefine "governmental record" for purposes of Chapter 37 (Perjury and Other Falsification).

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2021.