

By: Raymond

H.B. No. 4219

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of the issuance of buyer's temporary tags.

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

SECTION 1. Section 2301.651(d), Occupations Code, is amended to read as follows:

(d) Except as provided by Section 2301.6515, a [A] license may not be denied, revoked, or suspended, and disciplinary action may not be taken under this subchapter, unless the respondent is given an opportunity for a hearing. The board may deny, revoke, or suspend a license or take disciplinary action by order only after the department grants the respondent an opportunity for a hearing.

SECTION 2. Subchapter N, Chapter 2301, Occupations Code, is amended by adding Section 2301.6515 to read as follows:

Sec. 2301.6515. EMERGENCY SUSPENSION. (a) The board shall temporarily suspend a dealer's license issued under this chapter if the director determines from the evidence or information presented to the director by a law enforcement officer or department employee that the license holder has fraudulently distributed buyer's temporary tags under Section 503.063, Transportation Code.

(b) The board may suspend a dealer's license under this section without notice or hearing on the complaint if:

(1) action is taken to initiate proceedings for a hearing before the State Office of Administrative Hearings

1 simultaneously with the temporary suspension; and

2 (2) a hearing is held as soon as practicable under this
3 chapter and Chapter 2001, Government Code.

4 (c) The State Office of Administrative Hearings shall hold a
5 preliminary hearing not later than the 14th day after the date of
6 the temporary suspension to determine if there is probable cause to
7 believe that the holder of a dealer's license has fraudulently
8 distributed buyer's temporary tags. A final hearing on the matter
9 shall be held not later than the 61st day after the date of the
10 temporary suspension.

11 (d) The board by rule shall establish procedures for:

12 (1) the presentation to the director by a law
13 enforcement officer or department employee of evidence or
14 information regarding the fraudulent issuance of buyer's temporary
15 tags by the holder of a dealer's license; and

16 (2) the director's expedited determination regarding
17 whether the license holder has fraudulently distributed buyer's
18 temporary tags.

19 SECTION 3. Subchapter C, Chapter 503, Transportation Code,
20 is amended by adding Section 503.0632 to read as follows:

21 Sec. 503.0632. DEPARTMENT MONITORING OF AND LIMITS ON
22 DEALER ISSUANCE OF BUYER'S TEMPORARY TAGS. (a) The department
23 shall establish:

24 (1) the reasonable number of buyer's temporary tags
25 that each dealer may issue in a calendar month; and

26 (2) the maximum number of buyer's temporary tags that
27 each dealer may issue in a calendar year.

1 (b) The department shall monitor in real time the number of
2 buyer's temporary tags issued by a dealer. The department shall
3 immediately review the sales records of a dealer who issues buyer's
4 temporary tags in excess of the number determined by the department
5 under Subsection (a)(1) to determine whether the dealer has
6 fraudulently distributed buyer's temporary tags.

7 (c) Notwithstanding Section 503.0631(c), the department may
8 immediately suspend the access to the buyer's temporary tag
9 database of a dealer who issues buyer's temporary tags in excess of
10 the number determined by the department under Subsection (a)(2).
11 The department by rule shall establish procedures for the
12 reinstatement of access to the buyer's temporary tag database for a
13 dealer whose access is suspended under this subsection.

14 SECTION 4. This Act takes effect September 1, 2021.