

BILL ANALYSIS

Senate Research Center
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S.B. 1464
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Transportation
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 501.051 of the Transportation Code outlines the grounds under which the Texas Department of Motor Vehicles (TxDMV) can refuse to issue, revoke, suspend, or cancel a vehicle title application. Section 501.052 of the Transportation Code allows a dissatisfied person to appeal a title-related decision made by the TxDMV to their local county tax assessor-collector. However, the county tax assessor-collector is mandated to grant the applicant's request for a hearing under Section 501.052(b) with no exceptions to deny hearing. This mandated hearing has caused some aggrieved parties to exploit this loophole to circumvent the legal system and force a county tax assessor-collector to award ownership of a vehicle when there was already a court order to return the property to the titled owner. The purpose of these hearings was to avoid bonded titles or the expenses of legal challenges.

S.B. 1464 aims to close this loophole by specifying that a person aggrieved by TxDMV's decision cannot apply for a hearing if the decision is related to a vehicle that is the subject of pending litigation or court proceedings, a vehicle for which a court has awarded ownership or possession to another person, or a vehicle held as evidence in a criminal investigation. A county assessor-collector who receives an application for a hearing submitted in violation of these provisions must deny the application and is not required to send notice or hold a hearing.

As proposed, S.B. 1464 amends current law relating to a hearing on the refusal to issue or the revocation or suspension of a vehicle title.

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 501.052, Transportation Code, by amending Subsections (a) and (f) and adding Subsection (g), as follows:

(a) Creates an exception under Subsection (f).

(f) Prohibits a person from applying for a hearing under Section 501.052 (Hearing on Refusal to Issue or Revocation or Suspension of Title; Appeal) if the Texas Department of Motor Vehicles' decision under Section 501.051 (Grounds for Refusal to Issue or For Revocation or Suspension of Title) is related to titles for certain vehicles, including a title for a vehicle that is the subject of any pending litigation or court proceedings, for which a court has awarded ownership or possession to another person, or that is held as evidence in a criminal investigation. Makes nonsubstantive changes.

(g) Provides that a county assessor-collector who receives an application for a hearing submitted in violation of Subsection (f) is required to deny the application and is not required to send notice under Subsection (a) (relating to application by an interested person aggrieved by certain actions under Section 501.051 for a hearing) or hold a hearing under Subsection (b) (relating to requiring the county assessor-collector to hold

the hearing within a certain timeframe after the date the assessor-collector receives the application for a hearing).

SECTION 2. Effective date: September 1, 2025.