

BILL ANALYSIS

Senate Research Center

C.S.S.B. 946
By: Patterson
State Affairs
3-31-97
Committee Report (Substituted)

DIGEST

Currently, a person is prohibited from operating a vehicle storage facility unless the person holds a current license to operate a vehicle storage facility issued to the person by the Texas Department of Transportation (TxDOT). Recently, motor vehicle dealerships have chosen to sub-contract with other entities when storing vehicles. This bill prohibits a person from operating a vehicle storage facility for the storage of vehicles owned by a motor vehicle dealer unless the person holds a current license issued by TxDOT.

PURPOSE

As proposed, C.S.S.B. 946 requires certain persons to obtain a vehicle storage facility license.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 3 and 5, Article 6687-9a, V.T.C.S. (Vehicle Storage Facility Act), to provide that this article does not apply to a vehicle parked or stored at a vehicle storage facility with the consent of the vehicle's owner. Provides that this article does not apply to a vehicle storage facility owned, rather than operated, by a person licensed pursuant to the Texas Motor Vehicle Commission Code. Prohibits a person other than the owner of a vehicle storage facility from operating a vehicle storage facility owned by a motor vehicle dealer unless the person holds a current license to operate a vehicle storage facility issued to the person by the Texas Department of Transportation. Provides that the licensing requirement imposed by this subsection applies only to a person who operates a vehicle storage facility pursuant to the terms of an enforceable contract by which the motor vehicle dealer who owns the vehicle storage facility has conveyed to the contract operator all authority to manage the vehicle storage facility. Defines "motor vehicle dealer."

SECTION 2. (a) Effective date: September 1, 1997.

(b) Provides that a person that operates a storage facility for vehicles owned by a motor vehicle dealer is not required to obtain a vehicle storage license under Section 5(b), Article 6687-9a, V.T.C.S., as added by this Act, until January 1, 1998.

SECTION 3. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Adds a provision to Section 3, Article 6687-9a, to provide that this article does not apply to a vehicle parked or stored at a vehicle storage facility with the consent of the vehicle's owner. Provides that this article does not apply to a vehicle storage facility owned, rather than operated, by a person licensed pursuant to the Texas Motor Vehicle Commission Code. Adds a provisions in Section 5, Article 6687-9a, to prohibit a person other than the owner of a

vehicle storage facility, rather than a person, from operating a vehicle storage facility owned by a motor vehicle dealer under certain conditions. Adds text providing that the licensing requirement imposed by this subsection applies only to a person who operates a vehicle storage facility pursuant to the terms of an enforceable contract by which the motor vehicle dealer who owns the vehicle storage facility has conveyed to the contract operator all authority to manage the vehicle storage facility.

SECTION 3.

Provides that the effective date occurs upon passage of this Act.