

BILL ANALYSIS

Senate Research Center

H.B. 2677
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Administration
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Engrossed

DIGEST AND PURPOSE

H.B. 2677 amends the portion of the Occupations Code that regulates motor vehicle dealers, manufacturers, and distributors, and the relations between and among them. The agency charged with the regulation is the Texas Motor Vehicle Board.

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 Sections 2301.002(6), (16), (23), and (32), Occupations Code, as follows:

- (6) Redefines “converter.”
- (16) Redefines “franchised dealer.”
- (23) Redefines “motor vehicle.”
- (32) Redefines “towable recreational vehicle.”

SECTION 2. Amends Section 2301.153(a), Occupations Code, to add the power to accept a donation, including a contribution of property or services, to the list of all powers necessary, incidental, or convenient granted to the Motor Vehicle Board of the Texas Department of Transportation (board) in order to perform a power or duty expressly granted under this chapter. Redesignates Subdivisions (10)-(18) as (11)-(20).

SECTION 3. Amends Section 2301.251(a), Occupations Code, to prohibit a person, unless the person holds a license issued under this chapter authorizing the activity, and except as provided by this subchapter, from taking certain actions.

SECTION 4. Amends Section 2301.252, Occupations Code, by amending Subsection (b) and adding Subsection (c), as follows:

- (b) Provides that for purposes of this section the make of an ambulance is that of the ambulance manufacturer and the make of a fire-fighting vehicle is that of the fire-fighting vehicle manufacturer.
- (c) Defines “ambulance manufacturer” and “fire-fighting vehicle manufacturer.”

SECTION 5. Amends Subchapter F, Chapter 2301, Occupations Code, by adding Section 2301.266, as follows:

Sec. 2301.266. TEMPORARY OPERATION OF DEALERSHIP WITH PENDING APPLICATION. (a) Authorizes a person to engage in the business of operating a dealership for which the person's license application is pending if the person meets the requirements of this section.

(b) Requires a person, to qualify for this exception, to meet certain requirements.

(c) Provides that this section does not affect the board's right to deny the application.

SECTION 6. Amends Section 2301.301(c), Occupations Code, to require the fee for the license, for a year in which a license expiration date is changed, to be prorated so that the license holder pays only that portion of the fee that is allocable to the number of months during which the license is valid, except for a fee for an application to relocate a dealership in a municipality in which the dealership is located.

SECTION 7. Amends Section 2301.476, Occupations Code, by adding Subsection (h), to authorize a manufacturer or distributor to own an interest in a dealer who meets certain conditions.

SECTION 8. Amends Section 2301.705(b), Occupations Code, to require notice to be given by certified mail, return receipt requested, unless the person to whom notice is given resides outside the United States. Requires notice to a person who resides outside the United States to be given by registered mail, return receipt requested, or a private carrier who offers confirmation of delivery.

SECTION 9. Amends Section 2301.803(c), Occupations Code, to authorize a person affected by a statutory stay imposed by this chapter to request a hearing before the entity that imposed the stay, rather than initiate a proceeding before the board, to modify, vacate, or clarify the extent and application of the statutory stay.

SECTION 10. Amends Subchapter F, Chapter 502, Transportation Code, by adding Section 502.2737, as follows:

Sec. 502.2737. TEXAS MASTER GARDENER LICENSE PLATES. (a) Requires the Texas Department of Transportation (TxDOT) to issue specially designed license plates for passenger cars and light trucks that include the seal of the Texas Master Gardener program of Texas Cooperative Extension.

(b) Requires TxDOT to issue license plates under this section to a person who meets certain requirements.

(c) Requires \$8, of each fee collected under Subsection (b)(2), to be used by TxDOT only to defray the cost of administering this section. Requires TxDOT to deposit the remainder of each fee collected to the credit of an account in the general revenue fund that may be appropriated only to Texas Cooperative Extension for graduate student assistantships within the Texas Master Gardener program and to support Texas Cooperative Extension's activities related to the Texas Master Gardener program.

(d) Requires the owner, if the owner of a vehicle for which license plates were issued under this section disposes of the vehicle during a registration year, to return the special license plates to TxDOT.

SECTION 11. Effective date: September 1, 2003.