

BILL ANALYSIS

Senate Research Center

S.B. 1504
By: Harris
Infrastructure Development and Security
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As Filed

DIGEST AND PURPOSE

Chapter 2301 of the Occupations Code imposes licensing requirements on, and regulates the relations between and among, motor vehicle manufacturers, distributors, dealers, lessors, and lease facilitators. As proposed, S.B. 1504 provides conforming and corrective amendments to Chapter 2301, Occupations Code.

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 2301.002, Occupations Code, as follows:

- (2) Defines “ambulance manufacturer.”
- (2) - (14) redesignated as (3) - (15).
- (7) Redefines “converter.”
- (16) Defines “fire-fighting vehicle manufacturer.”
- (15) - (37) redesignated as (17) - (39).
- (18) Makes a conforming change.
- (25) Redefines “motor vehicle.”
- (34) Redefines “towable recreational vehicle.”

SECTION 2. Amends Section 2301.153(a), Occupations Code, to add Subdivision (10) to provide that, notwithstanding any other law, the Motor Vehicle Board (MVB) of the Texas Department of Transportation has all powers necessary, incidental, or convenient to perform a power or duty expressly granted under this chapter, including the power to, with the prior approval of the MVB, accept a donation or contribution of property or services to be used by MVB or its staff in the execution of its legal duties. Redesignates Subdivisions (10) - (19) as (11) - (20).

SECTION 3. Amends Section 2301.251(a), Occupations Code, to make a conforming change.

SECTION 4. Amends Chapter 2301F, Occupations Code, by adding Section 2301.266, as follows:

Sec. 2301.266. OPERATION OF BUSINESS WITHOUT LICENSE. (a) Authorizes a person who meets the requirements set forth in this section, notwithstanding the terms of this chapter or other provisions of law, to engage in the business of the operation of a dealership without a valid license.

(b) Sets forth persons to whom this section applies.

(c) Authorizes a person to whom this section applies on an interim basis to engage in the business of operating the dealership for which the person's license application is pending. Requires a person who operates a dealership in the manner provided by this section to notify MVB of the person's intent to do so by registered mail, return receipt requested.

(d) Provides that this section does not prejudice MVB's right to deny a license on the basis and under the circumstances provided by this chapter and MVB rules.

SECTION 5. Amends Section 2301.252(b), Occupations Code, to provide 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.

SECTION 6. Amends Section 2301.301(c), Occupations Code, to except the fee required in conjunction with an application to relocate a franchised dealership within the city limits of the city in which the dealership is located from the requirement that the fee for a license be prorated.

SECTION 7. Amends Section 2301.476, Occupations Code, by adding Subsection (h), to authorize a manufacturer or distributor, notwithstanding the terms of this chapter and subject to the limitations set forth in this subsection, to own an interest in an entity that holds a general distinguishing number if that entity has certain characteristics.

SECTION 8. Amends Section 2301.705(b), Occupations Code, to require notice to a person outside the United States to be given by registered mail, return receipt requested, or by 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, rather than initiate a proceeding before MVB, to modify, vacate, or clarify the extent and application of the statutory stay.

SECTION 10. Effective date: September 1, 2003.