

SUBJECT: Motor vehicle dealer regulation revisions

COMMITTEE: Transportation — committee substitute recommended

VOTE: 8 ayes — Alexander, Siebert, Finnell, Hartnett, Hawley, Hill, Pickett, Uher
0 nays
1 absent — Edwards

WITNESSES: For — Tom Blanton, Texas Auto Dealers Association
Against — None
On — Brett Bray, Texas Department of Transportation

BACKGROUND : The 74th Legislature codified as Chapters 502 and 503 of the Transportation Code much of the law concerning the regulation and licensing of motor vehicle dealers and titling and registration of motor vehicles.

DIGEST: CSHB 1790 would make additional technical changes to Chapters 502 and 503.

The bill also would add to the code new provisions to:

- allow the Department of Transportation (TxDOT) to cancel a dealer's general distinguishing number for failure to comply with portions of Tax Code requirements concerning maintenance and value of a dealer's motor vehicle inventories and prepayment of taxes on such inventories;
- authorize the issuance of personalized prestige dealer's license plates and set the application process, term of use, and fees;
- stipulate that TxDOT may not issue temporary dealer or buyer tags or contract for issuing such tags;

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- specify that the Texas Motor Vehicle Commission has authority to levy civil penalties on motor vehicle dealers for violations that constitute grounds for cancelling their general distinguishing number.

CSHB 1790 would take effect September 1, 1997.

**SUPPORTERS
SAY:**

CSHB 1790 would make several necessary changes to the Transportation Code to make existing statute conform to the recodifications over the last legislative session. These changes are fully supported by Texas automobile dealers as well as TxDOT.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

The committee substitute added that TxDOT could cancel a dealer's general distinguishing number for failure to comply with state tax requirements and changed the effective date of the bill.