

- SUBJECT:** Allowing a vehicle manufacturer to own or operate certain dealerships
- COMMITTEE:** Licensing and Administrative Procedures — favorable, without amendment
- VOTE:** 8 ayes — T. King, Goldman, Geren, Harless, Hernandez, Herrero, Kuempel, Paddie
- 0 nays
- 3 absent — Guillen, K. King, S. Thompson
- SENATE VOTE:** On final passage, April 23 — 30-1 (Watson)
- WITNESSES:** *On House companion bill, HB 2940:*
For — Donnie Buckalew, Texas Automobile Dealers Association; John Kingman; (*Registered, but did not testify:* Drew Campbell, Alliance of Automobile Manufacturers; Pamela Crail, SA Auto Dealers; Laird Doran, The Friedkin Group, on behalf of Gulf States Toyota, Inc.; Brent Franks, DFW New Car Dealers Association; Wyatt Wainwright, Houston Automobile Dealers Association)
- Against — None
- On — (*Registered, but did not testify:* Corrie Thompson, Texas Department of Motor Vehicles)
- BACKGROUND:** Occupations Code sec. 2301.476 prohibits a manufacturer or distributor of motor vehicles from owning an interest in, operating, or controlling a franchised or nonfranchised dealer or dealership or acting in the capacity of a franchised or nonfranchised dealer.
- DIGEST:** SB 1415 would limit a prohibition on manufacturers and distributors of motor vehicles from owning, operating, or controlling dealers and dealerships by allowing a manufacturer or distributor to own an interest in, operate or control, or act in the capacity of a dealer or dealership if the

dealer or dealership was for a different type of motor vehicle than the type manufactured or distributed by the manufacturer or distributor. "Type of motor vehicle" would be defined as specified in the bill.

The bill would take effect September 1, 2019.