

## **BILL ANALYSIS**

Senate Research Center

H.B. 1473  
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State Affairs  
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Engrossed

### **DIGEST**

Currently, certain motor vehicles' dealers are contained within the regulatory authority of the Motor Vehicle Board, which eliminates the use of board licensure as a method of drawing a per se legal distinction between franchised and independent dealers. This bill includes franchised motor vehicle dealers into several areas of the Transportation Code that expressly address the licensing and ownership procedures of motor vehicle dealers.

### **PURPOSE**

As proposed, H.B. 1473 establishes procedures for the licensing and regulation of certain motor vehicle dealers.

### **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 Section 503.033(g), Transportation Code, to provide that this section does not apply to a person licensed as a franchised motor vehicle dealer by the Texas Department of Transportation's (department) Motor Vehicle Board.

SECTION 2. Amends Section 503.036, Transportation Code, as follows:

Sec. 503.036. New heading: REASSIGNMENT OF EVIDENCE OF OWNERSHIP; DEALER CATEGORIES. Authorizes the holder of a franchised motor vehicle dealer's general distinguishing number to buy, sell, or exchange new or used motor vehicles and reassign certain ownership documents of certain vehicles owned by the dealer. Authorizes the holder of an independent motor vehicle dealer's general distinguishing number (holder) to reassign a certification of title or other form of ownership evidence of certain vehicles owned by the dealer. Provides that the holder may sell or offer to sell motor vehicles to no person, except a person who holds a general distinguishing number, or a person legally recognized as and duly licensed or otherwise qualified as a dealer under the laws of another state or foreign jurisdiction. Deletes existing section.

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