

## **BILL ANALYSIS**

Senate Research Center

H.B. 481  
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Transportation & Homeland Security  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Section 520.022, Transportation Code, provides that a person commits a misdemeanor, punishable by a fine not to exceed \$200, if the person is the seller of a used car and does not provide the purchaser with a license, receipt, and evidence of title upon delivery of the vehicle. Sections 520.031 and 520.032, Transportation Code, requires the purchaser of a used car to pay a \$2.50 transfer fee to file the license receipt and evidence of title documents with the county assessor-collector keeps within 20 business days of take possession of the vehicle or pay a late fee of \$10. The county assessor-collector keeps half of these fees as a service commission, and the remainder is sent to the Texas Department of Transportation (TxDOT).

H.B. 481 increases the penalty for the seller of a used motor vehicle who fails to submit certain information to TxDOT within a certain timeframe.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 520.023(a) and (c), Transportation Code, as follows:

(a) Requires the Texas Department of Transportation (TxDOT), as an alternative to a written notice of transfer of a motor vehicle, to establish procedures that permit the transfer or of a motor vehicle to electronically submit a notice of transfer to TxDOT through its Internet website. Provides that a notice of transfer provided through TxDOT's Internet website is not required to bear the signature of the transferor or include the date of signing.

(c) Provides that this subsection applies only if TxDOT receives notice under Subsection (a) before the 30th day after the date the transferor delivered possession of the vehicle to the transferee.

SECTION 2. Amends Section 520.031, Transportation Code, by adding Subsection (d), to require the documents described in Subsection (a), if the transferee is an active member or reservist of the armed forces of the United States or of the National Guard of any state serving under an order of the president of the United States and notwithstanding Subsection (a), to be filed with the county assessor-collector not later than the 60th working day after the date of their receipt by the transferee.

SECTION 3. Amends Section 520.032, Transportation Code, by amending Subsection (b) and adding Subsections (b-1) and (d), as follows:

(b) Provides that the transferee is liable for a late fee, rather than a \$10 late fee, to be paid to the county assessor-collector when the application is filed if the transferee does not file the application during the period provided by Section 520.031. Provides that the amount of the late fee is \$10 if the transferee holds a general distinguishing number issued under certain other laws, and that the fee is \$25, subject to Subsection (b-1), if the transferee does not hold a general distinguishing number.

(b-1) Provides that the late fee imposed under Subsection (b) accrues an additional penalty in the amount of \$25 for each subsequent 30-day period in which the application is not filed, if the application is filed after the date the transferee received the documents under Section 520.022 (Delivery of Receipt and Title to Transferee; Penalty).

(d) Provides that Subsections (b) and (b-1) do not apply if the motor vehicle is eligible to be issued classic or antique vehicle license plates.

SECTION 4. Amends Section 520.033, Transportation Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Authorizes the county assessor-collector to retain as commission for services provided under this subchapter (Transfer of Title and Registration of Used Vehicle) certain fees, including half of each additional penalty collected under Section 520.032.

(c) Authorizes \$10 of each late fee collected from a person who does not hold a general distinguishing number that TxDOT receives under this section to be used only to fund a statewide public awareness campaign designed to inform and educate the public about the provisions of this chapter (Allocation of Fees).

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: January 1, 2008.