

BILL ANALYSIS

Senate Research Center

H.B. 1693
By: Dean et al. (Perry)
Transportation
5/16/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note significant delays in the process by which motor vehicle ownership in Texas is transferred due to a requirement for certain written forms to be exchanged by mail. H.B. 1693 mitigates these delays by requiring the Texas Department of Motor Vehicles to provide both electronic and paper versions of certain of these documents.

H.B. 1693 amends current law relating to documentation for a motor vehicle title.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Motor Vehicles in SECTION 4 (Section 501.174, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 152.062, Tax Code, by adding Subsection (d), as follows:

(d) Provides that a seller of a motor vehicle is not required to complete a joint statement described by this section (Required Statements) if:

(1) the seller does not hold a general distinguishing number issued under Chapter 503 (Dealer's and Manufacturer's Vehicle License Plates), Transportation Code; and

(2) the seller has complied with Section 501.028 or 501.072, Transportation Code, as applicable.

SECTION 2. Amends Section 501.028, Transportation Code, as follows:

Sec. 501.028. New heading: SIGNATURES. (a) Creates this subsection from existing text.

(b) Requires the seller, upon transfer of ownership, to complete assignment of title by signing and printing the seller's name, printing the date of transfer, and printing the purchaser's name and address on the title.

SECTION 3. Amends Section 501.072, Transportation Code, as follows:

Sec. 501.072. ODOMETER DISCLOSURE STATEMENT. (a) Requires the transferor of a motor vehicle transferred in this state, except as provided by Subsection (c), to provide to the transferee a disclosure of the vehicle's odometer reading at the time of the transfer in compliance with 49 U.S.C. Section 32705. Deletes existing text requiring the seller of a motor vehicle sold in this state to provide to the buyer, on a form prescribed by the Texas Department of Motor Vehicles (TxDMV) a written disclosure of the vehicle's odometer reading at the time of the sale. Deletes existing text requiring that the form include space for the signature and printed name of both the seller and buyer.

(b) Requires the transferee, when application for a title is made, to record the odometer reading on the application. Requires that the disclosure, rather than written disclosure, required by Subsection (a), accompany the application. Deletes existing text requiring the owner to, when application for a certificate of title is made, record the current odometer reading on the application.

(c) Provides that an odometer disclosure statement is not required for the transfer of a motor vehicle that is exempt from odometer disclosure requirements under 49 C.F.R. Part 580. Deletes existing text providing that an odometer disclosure statement is not required for the sale of certain motor vehicles.

(d) Requires TxDMV to provide for use consistent with 49 C.F.R. Part 580, a secure power of attorney form and a secure reassignment form for licensed motor vehicle dealers.

(e) Defines "transferee" and "transferor."

SECTION 4. Amends Section 501.174, Transportation Code, by amending Subsection (b) and adding Subsections (d), (e), and (f), as follows:

(b) Provides that, except as otherwise provided by this section (Validity of Electronic Documents), if a law requires that a document be signed, the requirement is satisfied by an electronic signature. Makes a nonsubstantive change.

(d) Requires TxDMV, by rule, to establish a process to accept electronic signatures on secure documents which have been electronically signed through a system not controlled by TxDMV.

(e) Requires that a system used for submitting electronic signatures to TxDMV verify the identity of the person electronically signing a document and submit the document through the electronic titling system.

(f) Provides that this section does not require TxDMV to certify an electronic signature process or an electronic signature vendor before accepting a document that is executed with an electronic signature.

SECTION 5. Requires TxDMV, not later than January 1, 2019, to adopt rules necessary to implement Section 501.174(d), Transportation Code, as added by this Act.

SECTION 6. Effective date: January 1, 2018.