

## **BILL ANALYSIS**

Senate Research Center  
85R7920 JAM-F

S.B. 1062  
By: Perry  
Transportation  
4/7/2017  
As Filed

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

Current federal law requires disclosure of the odometer reading when ownership of a motor vehicle is transferred. The odometer disclosure is required to be made on a secure form to prevent tampering. The Texas Department of Motor Vehicles (TxDMV) has implemented a carbon copy paper form which complies with the requirements of federal law. However, since the paper form must be mailed, its use adds significant delay and inconvenience to the motor vehicle ownership transfer process, especially for total loss automobile claims.

This bill seeks to expedite this process which in turn would allow insurance companies to pay the vehicle owner more quickly and would expedite the process for insurance companies to dispose of salvage claims.

S.B. 1062 seeks to amend the Transportation Code by reducing the delay caused by the use of paper forms and requires TxDMV to accept an electronic version of the power of attorney form, secure reassignment form for licensed motor vehicle dealers, and odometer disclosure statement form which may be signed electronically.

As proposed, S.B. 1062 amends current law relating to documentation for the transfer of a motor vehicle title.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 501.072, Transportation Code, as follows:

Sec. 501.072. ODOMETER DISCLOSURE STATEMENT. (a) Requires the transferor, rather than seller, of a motor vehicle, except as provided by Subsection (c), to provide to the transferee, rather than buyer, a disclosure of the vehicle's odometer reading at the time of the transfer in compliance with 49 C.F.R. Part 580. Deletes existing text requiring the disclosure to be written and use a certain form.

(b) Requires the transferee, rather than owner, when application for a title is made, to record the odometer reading, rather than the current odometer reading, on the application. Makes conforming and nonsubstantive changes.

(c) Provides that an odometer disclosure statement is not required for the sale of a motor vehicle that is exempt from odometer disclosure requirements under 49 C.F.R. Section 580.17. Deletes existing text listing certain vehicles that are exempt from an odometer disclosure statement.

SECTION 2. Amends Subchapter D, Chapter 501, Transportation Code, by adding Section 501.077, as follows:

Sec. 501.077. ELECTRONIC FORMS; VERIFICATION. (a) Requires the Texas Department of Motor Vehicles (TxDMV) to provide in electronic format and 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.

(b) Provides that this section does not require TxDMV to certify an electronic signature process or an electronic signature vendor before accepting a form described by Subsection (a) that is executed with an electronic signature.

SECTION 3. Effective date: September 1, 2017.