

BILL ANALYSIS

Senate Research Center
87R16909 BEE-F

H.B. 3374
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Business & Commerce
5/17/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There is a requirement in the Transportation Code that says an in-person signature is necessary for rental companies. This creates a barrier to entry for modern rental companies, which may benefit from operating primarily in digital spaces. The in-person signature requirement creates a de facto requirement to have a physical retail location staffed by at least one employee.

By eliminating the in-person signature requirement, this legislation removes these barriers to entry and unnecessary burdens on extant rental car businesses. With vast improvements in digital verification tools, in-person signature requirements are outdated and superfluous. This legislation allows for modern rental companies to benefit from operating primarily in digital spaces. This would mean these companies would not longer need a physical retail location staffed by at least one employee.

H.B. 3374 amends current law relating to the requirement to compare and verify signatures when renting a motor vehicle.

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 521.460(b), Transportation Code, as follows:

(b) Prohibits a person from renting a motor vehicle to a renter until the person has inspected the renter's driver's license. Deletes existing text prohibiting a person from renting a motor vehicle to another person until inspecting the driver's license of the renter and comparing and verifying the signature on the renter's driver's license with the renter's signature written in the person's presence.

SECTION 2. Effective date: September 1, 2021.