

BILL ANALYSIS

C.S.H.B. 2275
By: Paddie
Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised regarding the increasing cost of replacing motor vehicle keys and key fobs and interested parties have expressed a need for coverage under service contracts for keys and key fobs that are lost, stolen, or inoperable. C.S.H.B. 2275 seeks to address this issue by authorizing service contracts to provide that coverage.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2275 amends the Occupations Code to authorize a service contract under the Service Contract Regulatory Act to provide for the replacement of a motor vehicle key or key fob in the event that the key or key fob is inoperable, lost, or stolen. The bill specifies that a service contract provider is not required to deduct the amount of any claims paid under the contract from the amount of a refund of the contract's purchase price due as a result of cancellation of the contract by the service contract holder or by the provider.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2275 differs from the original in minor or nonsubstantive ways by conforming to certain bill drafting conventions.