

**SUBJECT:** Defining motor vehicle dealers within the Transportation Code

**COMMITTEE:** Transportation — committee substitute recommended

**VOTE:** 8 ayes — Alexander, Siebert, Finnell, Hartnell, Hawley, Hill, Pickett, Uher  
0 nays  
1 absent — Edwards

**WITNESSES:** For — Tom Blanton, Texas Auto Dealers Association  
Against — None  
On — Brett Bray, Texas Department of Transportation

**BACKGROUND :** The 74th Legislature enacted SB 1139 by Cain, bringing all types of motor vehicle dealers under the regulatory control of the Motor Vehicle Board. The Legislature also enacted SB 1446 by Brown, which defined the different kinds of motor vehicle dealers. That bill was not codified within the Transportation Code.

**DIGEST:** CSHB 1473 would codify SB 1446 into the Transportation Code.

The bill would exempt all persons licensed as franchised motor vehicle dealers from the security requirements that apply to independent dealers.

CSHB 1473 would define the authority of motor vehicle dealers. Franchised motor vehicle dealers could buy, sell, or exchange new or used motor vehicles and reassign a manufacturer's certificate of origin, certificate of title, or other basic evidence of ownership of any type of vehicle that they were not otherwise prohibited by law from selling or offering for sale. Independent motor vehicle dealers could reassign a certificate of title or other basic evidence of ownership of any type of vehicle they were allowed to sell or offer for sale. Wholesale motor vehicle dealers could sell or offer to sell motor vehicles to franchised or independent motor vehicle dealers or to dealers licensed or otherwise legally authorized or qualified by another state or foreign country.

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CSHB 1473 would take immediate effect if finally approved by a two-thirds record vote of the membership of each house.

SUPPORTERS  
SAY:

CSHB 1473 would simply update and clarify the Transportation Code to conform to it related laws enacted during the 74th legislative session. The bill has the full support of both the Texas Auto Dealers Association and the Texas Department of Transportation.

OPPONENTS  
SAY:

No apparent opposition.

NOTES:

The committee substitute added a Legislative Council drafting number.