

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1598
By: Cain
Infrastructure
5/9/1999
Committee Report (Substituted)

DIGEST

Currently, Texas law requires persons who deal salvage automobiles to be licensed, and requires rebuilt salvage vehicle to have a permanent brand on their title and be inspected for stolen parts. This bill would require out-of-state buyers to be licensed, would prohibit non-repairable vehicles from being rebuilt, authorize a licensed salvage vehicle dealer to sell a salvage vehicle to an individual, and set forth eligibility criteria for a salvage vehicle agent.

PURPOSE

As proposed, C.S.S.B. 1598 sets forth guidelines for the sale and purchase of nonrepairable and salvage motor vehicles.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 501.0912(d), Transportation Code, to authorize an insurance company to sell a late model salvage motor vehicle, to which this section applies, only to a licensed salvage vehicle dealer. Deletes text regarding a buyer in a casual sale at auction.

SECTION 2. Amends Section 501.0916(a), Transportation Code, to authorize a licensed salvage vehicle dealer to sell a late model salvage motor vehicle to an individual. Makes conforming changes.

SECTION 3. Amends Section 501.0919, Transportation Code, to authorize a licensed salvage vehicle dealer to sell a late model salvage motor vehicle described by this section to an individual.

SECTION 4. Amends Section 501.0923, Transportation Code, to set forth required format for the words required by Subsection (b)(1).

SECTION 5. Amends Section 501.0925, Transportation Code, to prohibit a person who holds a nonrepairable motor vehicle certificate of title (nonrepairable title) for a vehicle from rebuilding the vehicle. Makes conforming changes. Deletes text entitling a holder of a nonrepairable title to rebuild a vehicle.

SECTION 6. Amends Section 501.0928, Transportation Code, by adding Subsection (d), to require a nonrepairable title to state on its face that the vehicle may: not be issued a regular certificate of title or be registered in this state; be used only for parts or scrap metal; and not be rebuilt.

SECTION 7. Amends Chapter 501E, Transportation Code, by adding Section 501.0933, as follows:

Sec. 501.0933. OUT-OF-STATE BUYER'S LICENSE. Prohibits an out-of-state buyer from purchasing a salvage or nonrepairable motor vehicle in this state without a license issued by TxDOT that authorizes the purchase of such a vehicle. Requires a person to apply to TxDOT to obtain an out-of-state buyer's license, and include certain information, documents and a fee in the application. Provides that an applicant is not eligible for an out-of-state buyer's license if the applicant proposes to purchase a vehicle in this state on behalf of a salvage vehicle dealer in another state, unless the applicant is a resident of the state in which the salvage vehicle dealer is licensed and holds a valid driver's license appropriately issued by that state.

SECTION 8. Amends Section 1.01(15), Article 6687-1a, V.T.C.S., to define “salvage vehicle agent.”

SECTION 9. Repealer: Section 501.0911(a)(3) and 501.0927, Transportation Code (Regarding information required by Section 501.0922(a)(1), and Application for Certificate of Title by Rebuilder of Nonrepairable Motor Vehicle).

SECTION 10. Effective date: September 1, 1999.

SECTION 11. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 501.0912(d), Transportation Code, to authorize an insurance company to sell a late model salvage motor vehicle, to which this section applies, only to a licensed salvage vehicle dealer. Deletes text regarding a buyer in a casual sale at auction.

SECTION 2.

Amends Section 501.0916(a), Transportation Code, to make conforming changes.

SECTION 4.

Amends Section 501.0923, Transportation Code, to set forth the required format for the words required by Subsection (b)(1).

SECTION 5.

Amends Section 501.0925, Transportation Code, to delete text entitling a holder of a nonrepairable motor vehicle to rebuild a vehicle.

SECTION 6.

Deletes proposed SECTION 6.

SECTION 9.

Repeals Section 501.0911(a)(3), Transportation Code.