

## **BILL ANALYSIS**

Senate Research Center  
77R7647 JD-F

H.B. 2217  
By: Hawley (Fraser)  
Natural Resources  
5/2/2001  
Engrossed

### **DIGEST AND PURPOSE**

Currently, the Certificate of Title Act does not apply to a semitrailer used for the purpose of transporting farm products if the products are not transported for hire. This means that a title is not required to be issued for a farm semitrailer unless the semitrailer is over 4,000 pounds gross vehicle weight. If the owner of such a farm semitrailer applies for a title under the current law, a commercial license plate must be issued for the farm semitrailer for the owner to obtain the title. If a purchaser borrows money to purchase a semitrailer, the lending institution requires a title to be issued so that a first lien can be recorded on the title. Upon application to a county tax assessor-collector for a title and registration, the applicant is sold commercial registration plates which cost approximately \$175 to \$300 depending on the gross weight of the vehicle. Allowing the owner of a semitrailer to register the semitrailer with a farm vehicle license plate would reduce the fee for the issuance of the plate to \$5.30. H.B. 2217 allows a county tax assessor-collector to issue title to a farm semitrailer of more than 4,000 pounds and to register that semitrailer with a farm vehicle license plate.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Department of Transportation in SECTION 1 (Section 501.036, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 501B, Transportation Code, by adding Section 501.036, as follows:

Sec. 501.036. CERTIFICATE OF TITLE FOR FARM SEMITRAILER. (a) Authorizes the Texas Department of Transportation (department), notwithstanding any other provision of this chapter, to issue a certificate of title for a farm semitrailer with a gross weight of more than 4,000 pounds under certain conditions.

(b) Requires the owner of the farm semitrailer to take certain actions to obtain a certificate of title under this section.

(c) Requires the department to adopt rules and forms to implement and administer this section.

SECTION 2. Effective date: September 1, 2001.