

BILL ANALYSIS

Senate Research Center

H.B. 1076
By: McCall (Shapiro)
Business & Commerce
5/2/2003
Engrossed

DIGEST AND PURPOSE

Currently, a rental car company owned by a vehicle manufacturer is prohibited from being licensed as a used car dealer by the Texas Motor Vehicle Board. Prior to 1999, rental car companies were licensed in Texas to sell used vehicles. H.B. 1076 authorizes a rental car company that is a manufacturer or distributor to sell used vehicles if the primary business of the company is renting commercial or passenger vehicles and it sells only certain vehicles.

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 2301.476, Occupations Code, by adding Subsection (i) to authorize a manufacturer or distributor, notwithstanding the terms of this chapter and subject to the limitations set forth in this subsection, to own an interest in an entity that holds a general distinguishing number if the entity is primarily engaged in renting passenger or commercial vehicles that the entity owns to other persons, and sells or offers for sale only certain vehicles.

SECTION 2. Effective date: upon passage or September 1, 2003.