

## **BILL ANALYSIS**

Senate Research Center

H.B. 2216  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, it is illegal for any person, other than a franchise dealer, to advertise, display, or offer for sale a new motor vehicle. Very few franchise dealers display or sell motor vehicles that are designed for disabled persons. As a result, disabled persons are forced to shop for vehicles that are equipped for the person's needs from the Internet or from catalogs. This situation prevents disabled persons from determining if the vehicle is the right size for their use and whether the special equipment is appropriate in design and functionality prior to purchasing the vehicle.

H.B. 2216 creates the independent mobility motor vehicle dealer license (license) for mobility dealers to advertise, display, and offer for sale only special vehicles that are modified for disabled drivers. This bill requires mobility dealers to be trained to equip mobility motor vehicles with special devices needed for disabled persons and to meet certain requirements in order to retain the license.

### **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 2301.002, Occupations Code, by amending Subdivision (25) and adding Subdivisions (17-a), (20-a), and (23-a) to redefine "nonfranchised dealer" and to define "independent mobility motor vehicle dealer," "mobility motor vehicle," and "new mobility motor vehicle," respectively.

SECTION 2. Amends Subchapter H, Chapter 2301, Occupations Code, by adding Section 2301.361, as follows:

Sec. 2301.361. INDEPENDENT MOBILITY MOTOR VEHICLE DEALER. (a) Authorizes an independent mobility motor vehicle dealer (mobility dealer) to purchase or otherwise acquire a new motor vehicle with certain alterations to fit or equip the motor vehicle for retail sale as a mobility motor vehicle, to display a new mobility motor vehicle with a person to fit or equip the motor vehicle for retail sale as a mobility motor vehicle, or to sell or arrange for the sale and delivery of a new mobility motor vehicle to a purchaser at the dealer's place of business if the transactions occurs through or by a franchised dealer of the motor vehicle's chassis line make.

(b) Prohibits a mobility dealer who purchased or acquired a new motor vehicle from a franchised dealer to equip the vehicle as a mobility motor vehicle from advertising the vehicle for sale until the vehicle is fitted or equipped as a mobility motor vehicle.

(c) Prohibits a mobility dealer from selling or offering to sell a new motor vehicle other than a new mobility motor vehicle.

SECTION 3. Amends Section 503.001, Transportation Code, by amending Subdivisions (4) and (9) and adding Subdivision (8-a), to redefine "dealer," to define "independent mobility motor vehicle dealer" and to redefine "independent motor vehicle dealer."

SECTION 4. Amends Section 503.021, Transportation Code, to prohibit a person from engaging in business as a dealer without a dealer general distinguishing number (dealer number) in one of the categories, rather than six categories, described by Section 503.029(a)(6), for each location from which the person conducts business as a dealer.

SECTION 5. Amends Section 503.029(a), Transportation Code, to require an applicant for an original or renewal dealer number to submit a form to the Texas Department of Transportation that specifies whether the applicant proposes to be a dealer.

SECTION 6. Amends Subchapter B, Chapter 503, Transportation Code, by adding Section 503.0295, as follows:

Sec. 503.0295. INDEPENDENT MOBILITY MOTOR VEHICLE DEALERS. Requires a person who seeks to act as a mobility dealer to provide, with each application for a dealer number and each renewal application, certain information set forth in this section.

SECTION 7. Amends Section 503.036(b), Transportation Code, to authorize the holder of an independent motor vehicle dealer's number or a mobility dealer's number to reassign a certificate of title or other basic evidence of ownership of any type of vehicle owned by the dealer that the dealer is not otherwise prohibited by law from selling or offering for sale.

SECTION 8. Effective date: upon passage or September 1, 2007.