

## **BILL ANALYSIS**

Senate Research Center  
80R10731 HLT-F

H.B. 2652  
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Transportation & Homeland Security  
5/17/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Lemon Law is a consumer protection statute designed to provide purchasers and lessees of motor vehicles covered by warranties with additional protection from chronically malfunctioning vehicles, or "lemons." The statute covers cars, trucks, vans, motorcycles, all-terrain vehicles, and towable recreational vehicles.

The Lemon Law was first enacted in 1983 and at that time applied to all motor vehicles that were under warranty. In 1999 the legislature limited the application of the law to vehicles that are purchased from licensed Texas dealers. As a result of the 1999 changes, the law no longer applies to new motor vehicles that were purchased or leased outside of the state. Therefore, new residents of the state, short-term residents, and non-resident military personnel who are stationed in Texas are not provided protection under the Lemon Law.

H.B. 2652 expands the state's Lemon Law to apply it to certain motor vehicles that are under warranty but not currently covered by that law.

### **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 Sections 2301.002(23) and (32), Occupations Code, to redefine "motor vehicle" and "towable recreational vehicle."

SECTION 2. Amends Section 2301.601(2), Occupations Code, to redefine "owner."

SECTION 3. Effective date: upon passage or September 1, 2007.