

BILL ANALYSIS

Senate Research Center

H.B. 3601
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Transportation & Homeland Security
5/8/2007
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, contested cases related to the regulation of vehicles and transportation are heard in front of a hearings examiner or the director (director) of the Motor Vehicle Division of the Texas Department of Transportation (TxDOT). However, contested cases before many other state agencies are conducted by administrative law judges at the State Office of Administrative Hearings (SOAH). It would benefit all involved parties in contested motor vehicle cases if they were conducted before an administrative law judge, as it would ensure consistency, provide enhanced expertise in procedural and substantive knowledge, and provide a neutral venue in which to conduct the hearings.

H.B. 3601 moves contested case hearings involving the sale or lease of motor vehicles from a hearings examiner or the director at TxDOT to an administrative law judge at SOAH.

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 2301.607(c), Occupations Code, to require the director of the Motor Vehicle Division (director) of the Texas Department of Transportation (TxDOT), if the administrative law judge, rather than the hearing examiner, does not issue a proposal for decision and recommend to the director a final order before the 151st day after the date a complaint is filed under this subchapter (Warranties: Rights of Vehicle Owners), to provide written notice by certified mail to the complainant and to the manufacturer, converter, or distributor of the expiration of the 150-day period and of the complainant's right to file a civil action.

SECTION 2. Amends Section 2301.704, Occupations Code, as follows:

Sec. 2301.704. New heading: ADMINISTRATIVE LAW JUDGE. (a) Requires a hearing under this subchapter (Hearing Procedures) to be held by an administrative law judge of the State Office of Administrative Hearings (SOAH), rather than the director or a hearings examiner. Makes conforming changes.

(b) Redesignated from existing Subsection (c). Makes conforming changes.

SECTION 3. Amends Section 2301.709(a), Occupations Code, to make conforming changes.

SECTION 4. Provides that this Act does not affect the validity of any interagency cooperation contract entered into between the Motor Vehicle Board of TxDOT and SOAH before this Act's effective date.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2007.