

BILL ANALYSIS

Senate Research Center
80R3655 MSE-D

S.B. 174
By: Shapiro
Transportation & Homeland Security
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas mobility motor vehicle dealers (dealers) are small independent companies dedicated to providing vehicles specifically modified to accommodate the transportation needs of Texans with physical disabilities. Dealers are not currently recognized individually under any Texas law and the current licenses under which a dealer may operate do not allow them to inventory, display, or sell new motor vehicles adapted for disabled persons.

As proposed, S.B. 174 authorizes a dealer to inventory, display, or sell new motor vehicles adapted for disabled Texans. S.B. 174 creates a new license specifically recognizing the business practices of Texas mobility dealers and the demands of their customers with disabilities. The Independent Mobility Motor Vehicle Dealer License would allow the mobility dealer to purchase new motor vehicles from franchised dealers, inventory the new motor vehicles, display the modified motor vehicles to people with disabilities for purposes of fitting and equipping, advertise specifically modified new motor vehicles to people with disabilities, and directly resell the specially modified new motor vehicle to people with disabilities.

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, Occupations Code, by amending Subdivisions (3) and (25) and adding Subdivisions (17-a), (20-a), and (23-a), to redefine "broker" and "nonfranchised dealer" and to define "independent mobility motor vehicle dealer," "mobility motor vehicle," and "new mobility motor vehicle."

SECTION 2. Amends Section 2301.252(a), Occupations Code, to include a person holding an independent mobility motor vehicle dealer's (independent mobility dealer) license among the persons to whom this chapter applies. Makes conforming changes.

SECTION 3. 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 dealer to acquire a new motor vehicle (vehicle) with the intention of fitting or equipping the vehicle for sale as a mobility motor vehicle, display a vehicle to a disabled person to fit or equip the vehicle as a mobility motor vehicle for the person, and resell a vehicle fitted or equipped as a new mobility motor vehicle without using a franchised dealer.

(b) Prohibits an independent mobility dealer from advertising a newly acquired motor vehicle for resale until the vehicle has been fitted or equipped as a mobility motor vehicle.

(c) Prohibits an independent mobility dealer from displaying to the public a motor vehicle that is not a mobility motor vehicle except under circumstances set forth in Subsection(a)(2).

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

SECTION 5. Amends Section 503.021, Transportation Code, to make a conforming change.

SECTION 6. Amends Section 503.029(a), Transportation Code, to include independent mobility dealer as a category on an application form for an original or renewal dealer general distinguishing number. Makes conforming changes.

SECTION 7. Amends Section 503.036(b), Transportation Code, to authorize the holder of an independent mobility dealer's general distinguishing number, in addition to an independent motor vehicle dealer's general distinguishing number, to reassign a certificate of title or basic evidence of ownership of any vehicle the dealer is legally allowed to sell.

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