

## **BILL ANALYSIS**

Senate Research Center

S.B. 298  
By: Estes  
Transportation  
3/4/2013  
As Filed

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

Under current law, the towing of vehicles is licensed and regulated by the Texas Department of Licensing and Regulation. However, certain types of towers are exempted, such as people towing farm vehicles, people towing vehicles for a non-commercial purpose, and car rental companies towing their own vehicles, among others. These exceptions do not include an exception for people who tow their own vehicles for a commercial purpose other than renting them out. This results in substantial licensing and equipment expenses for people who tow their own vehicles for a commercial purpose other than renting them out. There is no need to protect the public from these towers, as they do not offer towing services for hire and pose no more threat to safety than any currently exempted towers.

In order to address this issue, this bill exempts towers who exclusively tow their own property from the licensing and regulatory requirements of the Occupations Code, treating them like rental car companies.

As proposed, S.B. 298 amends current law relating to the licensing and regulation of the towing of a vehicle by its owner.

### **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 2308.002, Occupations Code, as follows:

Sec. 2308.002. DEFINITIONS. Redefines, in this chapter, "tow truck" to provide that, among certain other exclusions, the term does not include a motor vehicle used to tow a vehicle belonging to the owner of the motor vehicle.

SECTION 2. Amends Section 2301.151, Occupations Code, as follows:

Sec. 2308.151. LICENSE REQUIRED. Prohibits a person, unless the person holds an appropriate license under this subchapter, from performing towing operations, operating a towing company, performing booting operations, or operating a booting company. Provides that nothing in this subchapter requires a person towing a vehicle belonging to the person to obtain a license.

SECTION 3. Effective date: September 1, 2013.