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82nd Regular Session Review (2011)

Franchise and Structural Regulatory Issues

1. Franchise Law Revisions (SB 529/HB 2293)

Description: TADA supported legislation that provides update of franchise law including provisions to protect dealer's private property rights by limiting the application of property use agreements, placing reasonable time limits on new facility requirements after completion of a new dealership or a substantial remodel, and providing for recovery of facility investments after the discontinuance of a line-make.

Final Action: SB 529 was signed by the Governor, effective 9/1/11.

2. Texas Department of Motor Vehicles (SB 1401/HB 2017)

Description: TADA supported DMV priority legislation that implements an array of changes to update the governance, organization, duties, and functions of the Texas Department of Motor Vehicles.

Final Action: HB 2017 was signed by the Governor, effective 9/1/11.

3. Option to sell on Saturday and Sunday (HB 3685)

Description: Bill opposed by TADA that provided an option for certain businesses, included automobile dealerships, to open on Sunday notwithstanding any current law prohibition on sales activities on those days.

Final Action: HB 3685 was heard in the House Ways and Means Committee but left pending.

4. Recreational Vehicle Price Quotes at Shows (HB 2872)

Description: Bill amends the consecutive Saturday/Sunday sales rules to allow for price quotes on both Saturday and Sunday for recreational vehicles and tow trucks at a DMV approved show or exhibition.

Final Action: HB 2872 was signed by the Governor, effective 9/1/11.

Registration and Titling

1. VTR Vision 21 (SB 1402/HB 2357)

Description: DMV priority legislation that rewrites Chapters 501 and 502 of the Transportation Code to provide the framework for electronic titling and registration in the future.

Final Action: HB 2357 was signed by the Governor, effective 1/1/12.

2. Registration Periods for Used Vehicles (SB 1057/HB 3298)

Description: TADA supported legislation that requires a dealer to provide a new 12 month registration period for a used vehicle when the vehicle is sold.

Final Action: SB 1057 was signed by the Governor, effective 9/1/11.



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Finance Code and Related Issues

1. Dealer Position on Finance Commission (HB 1681)

Description: TADA supported legislation that alters the membership of the Finance Commission by replacing one of its five public member positions with a position for a regulated automobile dealer.

Final Action: HB 1681 passed the House, but was left pending in Senate committee.

2. Disclosure Obligations of OCCC (HB 3453)

Description: TADA supported legislation that seeks to ensure confidentiality of information gathered during examinations and investigations and keeps certain information relating to a motor vehicle seller's documentary fee confidential.

Final Action: HB 3453 was signed by the Governor, effective 9/1/11.

Finance-Related Products

1. Debt Cancellation Agreements (HB 2931)

Description: Legislation that provides new regulatory regime for debt cancellation agreements that include insurance coverage as part of the retail buyer's responsibility to the holder and requires amount charged for such an agreement made in connection with a retail installment contract to be created in good faith and be commercially reasonable.

Final Action: HB 2931 was signed by the Governor, effective 9/1/11.

2. Service/Identity Recovery Contracts (SB 1169/HB 2377)

Description: Legislation that primarily provides for additional regulation of providers and administrators of service contracts and identity recovery service contracts with certain provisions affecting sellers.

Final Action: SB 1169 was signed by the Governor, effective 9/1/11.

Motor Vehicle Tax/Incentive Issues

1. Surcharge on Sale of Fuel Inefficient Vehicles (HB 3067)

Description: Bill opposed by TADA that provided for a \$100 surcharge on passenger automobiles deemed to be fuel inefficient by comparison to corporate average fuel economy standards.

Final Action: HB 3067 was never heard by the House Ways and Means Committee.

2. Mileage Fee on Electric Vehicles (HB 1669)

Description: Bill opposed by Plug-In Texas, of which TADA is a member, that provided for the establishment of a motor vehicle mileage fee pilot program for certain motor vehicles, including electric vehicles.

Final Action: HB 1669 was reported by the House Transportation Committee, but the bill was never considered on the House floor.

3. Financial Incentives for Electric Vehicles (HB 3310)



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Description: TADA supported legislation that makes the purchase of electric vehicles eligible to a Texas Emissions Reduction Plan (TERP) credit of \$2500 per vehicle, capped at 2000 vehicles.

Final Action: HB 3310 was approved by the House Transportation Committee, but failed to pass on the House floor.

4. HOV Access for Electric Vehicles (SB 1742/HB 3308)

Description: TADA supported legislation allowing electric vehicles to use a high occupancy vehicle lane regardless of the number of occupants.

Final Action: SB 1742 passed the Senate, but neither SB 1742 or HB 3308 received House approval.

Other Vehicle-Related Issues

1. Possessory Liens on Motor Vehicles (SB 266)

Description: Bill ensures certain notice requirements on those holding possessory liens on motor vehicles do not apply to franchised automobile dealers.

Final Action: SB 266 was signed by the Governor, effective 9/1/11.

2. Emissions Inspectors/Station Owners (SB 197)

Description: Bill provides modest increase of fees for inspection stations and owners and introduces new penalty scheme for violation of certain emissions inspection standards while protecting station owners from acts of their employees.

Final Action: SB 197 was signed by the Governor, effective 9/1/11.

3. Remote Vehicle Emissions Inspections (SB 1515/HB 2639)

Description: Legislation allowing for remote monitoring and inspection of motor vehicle emissions.

Final Action: Both HB 2639 and SB 1515 were heard in respective committees, but both bills were left pending.

4. Tire Disposal (SB 615, HB 405)

Description: Bills placed new responsibilities on tire retailers applying to the collection and disposal of used tires.

Final Action: SB 615 passed the Senate, but neither SB 615 nor HB 405 gained House approval.