

AN ACT

relating to the definition of a salvage motor vehicle.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 501.091(15), Transportation Code, is amended to read as follows:

(15) "Salvage motor vehicle":

(A) means a motor vehicle that:

(i) has damage to or is [damaged] missing a major component part to the extent that the cost of repairs, including parts and labor other than the cost of materials and labor for repainting the motor vehicle and excluding sales tax on the total cost of repairs, [repair] exceeds the actual cash value of the motor vehicle immediately before the damage; or

(ii) is damaged and that comes into this state under an out-of-state salvage motor vehicle certificate of title or similar out-of-state ownership document that states on its face "accident damage," "flood damage," "inoperable," "rebuildable," "salvageable," or similar notation; and

(B) does not include an out-of-state motor vehicle with a "rebuilt," "prior salvage," "salvaged," or similar notation, a nonrepairable motor vehicle, or a motor vehicle for which an insurance company has paid a claim for:

(i) the cost of repairing hail damage; or

(ii) theft, unless the motor vehicle was

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1 damaged during the theft and before recovery to the extent
2 described by Paragraph (A)(i).

3 SECTION 2. This Act takes effect September 1, 2005.

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President of the Senate

Speaker of the House

I certify that H.B. No. 1350 was passed by the House on April 7, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 1350 was passed by the Senate on May 19, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor