

By: Casteel

H.B. No. 1754

A BILL TO BE ENTITLED

AN ACT

relating to the perfection of a child support lien on a motor vehicle.

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

SECTION 1. Section 157.316(b), Family Code, is amended to read as follows:

(b) If a lien established under this subchapter attaches to a motor vehicle, the lien must be perfected in the manner provided by Chapter 501, Transportation Code, and the court or Title IV-D agency that rendered the order of child support shall, unless the lien will be perfected electronically under Section 501.117, Transportation Code, include in the order a requirement that the obligor surrender to the court or Title IV-D agency evidence of the legal ownership of the motor vehicle against which the lien may attach. A lien against a motor vehicle under this subchapter is not perfected until:

(1) the obligor's title to the vehicle has been surrendered to the court or Title IV-D agency and the Texas Department of Transportation has issued a subsequent title that discloses on its face the fact that the vehicle is subject to a child support lien under this subchapter; or

(2) the lien is perfected in accordance with the rules adopted under Section 501.117, Transportation Code, for the electronic perfection of a child support lien on a motor vehicle.

1           SECTION 2. Section 501.117(a), Transportation Code, is  
2 amended to read as follows:

3           (a) The department by rule shall develop a system under  
4 which a lien on [~~security interest in~~] a motor vehicle may be  
5 perfected, assigned, discharged, and canceled electronically  
6 instead of by record maintained on a certificate of title. The  
7 rules adopted under this section must include specific provisions  
8 for the electronic perfection of a child support lien asserted on a  
9 motor vehicle by the Title IV-D agency, as defined by Section  
10 101.033, Family Code. Participation by a lienholder in the system  
11 is voluntary.

12           SECTION 3. The Texas Department of Transportation shall  
13 adopt rules as required by Section 501.117(a), Transportation Code,  
14 as amended by this Act, as soon as practicable after the effective  
15 date of this Act.

16           SECTION 4. This Act takes effect September 1, 2005.