

By: Wong

H.B. No. 2495

Substitute the following for H.B. No. 2495:

By: Phillips

C.S.H.B. No. 2495

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the transfer of a motor vehicle title at a dealer
3 auction.

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

5 SECTION 1. Section 501.071, Transportation Code, is amended
6 by amending Subsection (a) to read as follows:

7 (a) Except as provided in Section 503.039, a [A] motor
8 vehicle may not be the subject of a subsequent sale unless the owner
9 designated in the certificate of title transfers the certificate of
10 title at the time of the sale.

11 SECTION 2. Chapter 503, Transportation Code, is amended by
12 adding Section 503.039 to read as follows:

13 Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. A motor
14 vehicle may not be the subject of a subsequent sale at an auction by
15 a holder of a general dealer distinguishing number unless:

16 (a) equitable or legal title passes to the holder of the
17 dealer general distinguishing number before a transfer of title to
18 the buyer; and

19 (b) the holder of a dealer general distinguishing number
20 transfers the certificate of title to the buyer before the 21st day
21 after the date of the sale.

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