

By: Wong

H.B. No. 2495

A BILL TO BE ENTITLED

AN ACT

relating to motor vehicle title in dealer auctions.

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

SECTION 1. Amend Section 501.071(a), Transportation Code, as follows:

(a) A motor vehicle may not be the subject of a subsequent sale unless:

(1) the owner designated in the certificate of title transfers the certificate of title at the time of the sale, or

(2) the motor vehicle is sold at auction by a person who holds a dealer general distinguishing number, legal title passes to the seller prior to any transfer of title to the buyer and the seller transfers certificate of title to the buyer within 20 days after the sale.

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