

1-1 By: Wong (Senate Sponsor - Lindsay) H.B. No. 2495  
1-2 (In the Senate - Received from the House May 10, 2005;  
1-3 May 12, 2005, read first time and referred to Committee on  
1-4 Transportation and Homeland Security; May 20, 2005, reported  
1-5 favorably by the following vote: Yeas 6, Nays 0; May 20, 2005,  
1-6 sent to printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the transfer of a motor vehicle title at a dealer  
1-10 auction.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 501.071(a), Transportation Code, is  
1-13 amended to read as follows:

1-14 (a) Except as provided in Section 503.039, a [A] motor  
1-15 vehicle may not be the subject of a subsequent sale unless the owner  
1-16 designated in the certificate of title transfers the certificate of  
1-17 title at the time of the sale.

1-18 SECTION 2. Subchapter B, Chapter 503, Transportation Code,  
1-19 is amended by adding Section 503.039 to read as follows:

1-20 Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. A motor  
1-21 vehicle may not be the subject of a subsequent sale at an auction by  
1-22 a holder of a dealer's general distinguishing number unless:

1-23 (1) equitable or legal title passes to the holder of a  
1-24 dealer's general distinguishing number before a transfer of title  
1-25 to the buyer; and

1-26 (2) the holder of a dealer's general distinguishing  
1-27 number transfers the certificate of title to the buyer before the  
1-28 21st day after the date of the sale.

1-29 SECTION 3. This Act takes effect September 1, 2005.

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