

By: Carona

S.B. No. 543

A BILL TO BE ENTITLED

AN ACT

1
2 relating to certain notice requirements regarding possessory liens
3 on certain motor vehicles, motorboats, vessels, or outboard motors;
4 providing a criminal penalty.

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

6 SECTION 1. Section 70.006, Property Code, is amended by
7 adding Subsections (b-1), (b-2), (b-3), and (g) to read as follows:

8 (b-1) A holder of a possessory lien under Section 70.001 who
9 is required to give notice to a lienholder of record under this
10 section must include in the notice:

11 (1) the physical address of the real property at which
12 the repairs to the motor vehicle, motorboat, vessel, or outboard
13 motor were made;

14 (2) the legal name of the person that holds the
15 possessory lien for which the notice is required;

16 (3) the social security number, taxpayer
17 identification number, or employer identification number, as
18 applicable, of the person that holds the possessory lien for which
19 the notice is required; and

20 (4) a signed copy of the work order authorizing the
21 repairs on the motor vehicle, motorboat, vessel, or outboard motor.

22 (b-2) If the holder of a possessory lien required to give
23 notice in accordance with Subsection (b-1) does not comply with
24 that subsection, a lien recorded on the certificate of title of the

1 motor vehicle, motorboat, vessel, or outboard motor is superior to
2 the possessory lienholder's lien.

3 (b-3) A person commits an offense if the person knowingly
4 provides false or misleading information in a notice required by
5 this section. An offense under this subsection is a Class B
6 misdemeanor.

7 (g) After providing notice in accordance with this section,
8 a holder of a possessory lien under Section 70.001 shall make
9 commercially reasonable efforts to allow an owner and each
10 lienholder of record to inspect or arrange an inspection of the
11 motor vehicle, motorboat, vessel, or outboard motor by a qualified
12 professional to verify that the repairs were made.

13 SECTION 2. The changes in law made by this Act apply only to
14 a possessory lien on a motor vehicle, motorboat, vessel, or
15 outboard motor the possession of which is obtained on or after the
16 effective date of this Act. A possessory lien on a motor vehicle,
17 motorboat, vessel, or outboard motor the possession of which was
18 obtained before that date is governed by the law in effect at the
19 time possession was obtained, and the former law is continued in
20 effect for that purpose.

21 SECTION 3. This Act takes effect September 1, 2009.