

By: Elkins

H.B. No. 2929

A BILL TO BE ENTITLED

AN ACT

relating to the sale of salvage motor vehicles and the regulation of salvage vehicle dealers; providing a civil penalty.

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

SECTION 1. Section 2302.204, Occupations Code, is amended to read as follows:

Sec. 2302.204. CASUAL SALES. This chapter does not apply to a person who purchases not more than five [~~fewer than three~~] nonrepairable motor vehicles or salvage motor vehicles from a salvage vehicle dealer, an insurance company, or a salvage pool operator in a casual sale at auction, except that:

(1) the board shall adopt rules as necessary to regulate casual sales by salvage vehicle dealers, insurance companies, or salvage pool operators and to enforce this section; and

(2) a salvage vehicle dealer, insurance company, or salvage pool operator who sells a motor vehicle in a casual sale shall comply with those rules and Subchapter E, Chapter 501, Transportation Code.

SECTION 2. Subchapter H, Chapter 2302, Occupations Code, is amended by adding Section 2302.354 to read as follows:

Sec. 2302.354. CIVIL PENALTY. (a) In addition to any other penalty or disciplinary action prescribed by this chapter, a person who violates this chapter or a rule adopted under this chapter is

1 subject to a civil penalty of not less than \$50 or more than \$1,000.
2 Each day a violation continues or occurs is a separate violation for
3 the purpose of imposing the civil penalty.

4 (b) The attorney general or the appropriate district or
5 county attorney, in the name of the state, may institute and conduct
6 an action authorized by this section in a district court of Travis
7 County or of a county in which any part of the violation occurs.

8 (c) The attorney general, district attorney, or county
9 attorney may recover reasonable expenses incurred in obtaining a
10 civil penalty under this section, including court costs, reasonable
11 attorney's fees, investigative costs, witness fees, and deposition
12 expenses.

13 (d) A penalty collected under this section by the attorney
14 general shall be deposited to the credit of the general revenue
15 fund. A penalty collected under this section by a district or
16 county attorney shall be deposited to the credit of the general fund
17 of the county in which the suit was heard.

18 SECTION 3. Section 501.091(2), Transportation Code, is
19 amended to read as follows:

20 (2) "Casual sale" means the sale by a salvage vehicle
21 dealer with an endorsement in at least one classification described
22 by Section 2302.103(b), Occupations Code, or by an insurance
23 company of not more than five nonrepairable motor vehicles or
24 salvage motor vehicles to the same person during a calendar year.
25 The term does not include:

26 (A) a sale at auction to a salvage vehicle
27 dealer; or

1 (B) the sale of an export-only motor vehicle to a
2 person who is not a resident of the United States.

3 SECTION 4. The change in law made by Section 2302.354,
4 Occupations Code, as added by this Act, applies only to a violation
5 of Chapter 2302, Occupations Code, or a rule of the Texas Department
6 of Motor Vehicles adopted under that chapter, committed on or after
7 the effective date of this Act. A violation committed before the
8 effective date of this Act is governed by the law in effect when the
9 violation was committed, and the former law is continued in effect
10 for that purpose.

11 SECTION 5. This Act takes effect September 1, 2011.