

By: Phillips

H.B. No. 2281

Substitute the following for H.B. No. 2281:

By: Smith

C.S.H.B. No. 2281

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the titling of nonrepairable, salvage, and abandoned
3 motor vehicles and the regulation of dealers of those vehicles or
4 parts from those vehicles; providing penalties.

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

6 SECTION 1. Section 501.091, Transportation Code, is amended
7 by adding Subdivision (1-a) and amending Subdivision (17) to read
8 as follows:

9 (1-a) "Brokering" means arranging or offering to
10 arrange a transaction involving the sale of a salvage motor vehicle
11 or nonrepairable motor vehicle for a fee, commission, or other
12 valuable consideration.

13 (17) "Salvage vehicle dealer" means a person engaged
14 in this state in the business of acquiring, selling, repairing,
15 rebuilding, reconstructing, brokering, or otherwise dealing in
16 nonrepairable motor vehicles, salvage motor vehicles, or, if
17 incidental to a salvage motor vehicle dealer's primary business,
18 used automotive parts regardless of whether the person holds a
19 license [~~issued by the department~~] to engage in that business. The
20 term does not include an unlicensed person who:

21 (A) casually repairs, rebuilds, or reconstructs
22 not more than five [~~nonrepairable~~] motor vehicles issued
23 nonrepairable vehicle titles before September 1, 2003, or salvage
24 motor vehicles in the same calendar year;

1 (B) buys not more than five nonrepairable motor
2 vehicles or salvage motor vehicles in the same calendar year; or

3 (C) is a licensed used automotive parts recycler
4 if the sale of:

5 (i) repaired, rebuilt, or reconstructed
6 ~~[nonrepairable]~~ motor vehicles issued nonrepairable vehicle titles
7 before September 1, 2003, or salvage motor vehicles is ~~[more than]~~
8 an incidental part of the used automotive parts recycler's
9 business; or

10 (ii) nonrepairable motor vehicles and
11 salvage motor vehicles is an incidental part of the used automotive
12 parts recycler's business.

13 SECTION 2. The heading to Section 501.104, Transportation
14 Code, is amended to read as follows:

15 Sec. 501.104. POSSESSION OF ~~[REBUILDER TO POSSESS]~~ TITLE OR
16 OTHER DOCUMENTATION REQUIRED TO REBUILD.

17 SECTION 3. Section 501.107(b), Transportation Code, is
18 amended to read as follows:

19 (b) Not later than the 60th day after the date a metal
20 recycler receives a document in conjunction with the purchase of a
21 motor vehicle, the [A] metal recycler shall submit the document to
22 the department if the document is:

23 (1) the properly assigned:

24 (A) manufacturer's certificate of origin;

25 (B) regular title;

26 (C) nonrepairable vehicle title;

27 (D) salvage vehicle title; or

1 (E) comparable out-of-state ownership document;
2 or
3 (2) a receipt for an ownership document issued by the
4 department [~~the properly assigned manufacturer's certificate of~~
5 ~~origin, regular certificate of title, nonrepairable vehicle title,~~
6 ~~salvage vehicle title, or comparable out-of-state ownership~~
7 ~~document that the person receives in conjunction with the purchase~~
8 ~~of a motor vehicle not later than the 60th day after the date the~~
9 ~~metal recycler receives the title or out-of-state ownership~~
10 ~~document~~].

11 SECTION 4. Section 683.001, Transportation Code, is amended
12 by adding Subdivision (6-a) to read as follows:

13 (6-a) "Salvage vehicle dealer" has the meaning assigned
14 by Section 501.091.

15 SECTION 5. Section 683.051, Transportation Code, is amended
16 to read as follows:

17 Sec. 683.051. APPLICATION FOR AUTHORIZATION TO DISPOSE OF
18 CERTAIN MOTOR VEHICLES. A person, other than a salvage vehicle
19 dealer, may apply to the department for authority:

20 (1) to sell, give away, or dispose of a motor vehicle
21 to a motor vehicle demolisher if:

22 (A) the person owns the motor vehicle and the
23 [~~certificate of~~] title to the vehicle is lost, destroyed, or
24 faulty; or

25 (B) the vehicle is an abandoned motor vehicle and
26 is:

27 (i) in the possession of the person; or

1 (ii) located on property owned by the
2 person; or

3 (2) to dispose of a motor vehicle to a motor vehicle
4 demolisher for demolition, wrecking, or dismantling if:

5 (A) the abandoned motor vehicle:

6 (i) is in the possession of the person;

7 (ii) is more than eight years old;

8 (iii) either has no motor or is otherwise
9 totally inoperable or does not comply with all applicable air
10 pollution emissions control related requirements included in:

11 (a) [~~(aa)~~] the vehicle inspection
12 requirements under Chapter 548, as evidenced by a current
13 inspection certificate affixed to the vehicle windshield; or

14 (b) [~~(bb)~~] the vehicle emissions
15 inspection and maintenance requirements contained in the Public
16 Safety Commission's motor vehicle emissions inspection and
17 maintenance program under Subchapter F, Chapter 548, or the state's
18 air quality state implementation plan; and

19 (iv) was authorized to be towed by a law
20 enforcement agency; and

21 (B) the law enforcement agency approves the
22 application.

23 SECTION 6. Section 683.052, Transportation Code, is amended
24 by amending Subsection (a) and adding Subsection (e) to read as
25 follows:

26 (a) An application under Section 683.051 must:

27 (1) contain the name and address of the applicant;

1 (2) state the year, make, model, and vehicle
2 identification number of the vehicle, if ascertainable, and any
3 other identifying feature of the vehicle; and

4 (3) include:

5 (A) a concise statement of facts about the
6 abandonment;

7 (B) a statement that the [~~certificate of~~] title
8 is lost or destroyed; or

9 (C) a statement of the reasons for the defect in
10 the owner's [~~certificate of~~] title for the vehicle.

11 (e) Except as provided by Section 683.054(b), on the filing
12 of an application under Section 683.051, the applicant shall give
13 notice as provided by Section 683.012.

14 SECTION 7. Section 683.054, Transportation Code, is amended
15 to read as follows:

16 Sec. 683.054. NONREPAIRABLE VEHICLE TITLE [~~CERTIFICATE OF~~
17 ~~AUTHORITY~~] TO DISPOSE OF VEHICLE. (a) The department shall issue
18 the applicant a nonrepairable vehicle title [~~certificate of~~
19 ~~authority~~] to dispose of the vehicle to a motor vehicle demolisher
20 for demolition, wrecking, or dismantling if notice was given under
21 Section 683.052(e) by the applicant [~~683.053 was given~~] and the
22 vehicle was not claimed as provided by the notice.

23 (b) Without [~~giving~~] the notice required by Section
24 683.052(e) [~~683.053~~], the department may issue to an applicant
25 under Section 683.051(2) a nonrepairable vehicle title
26 [~~certificate of authority~~] to dispose of the motor vehicle to a
27 demolisher if the vehicle:

1 (1) is titled in the applicant's name; or
2 (2) meets the requirements of Sections
3 683.051(2)(A)(ii) and (iii).

4 (c) A motor vehicle demolisher shall accept the
5 nonrepairable vehicle title as evidence of ownership of
6 ~~[certificate of authority in lieu of a certificate of title for]~~ the
7 vehicle.

8 SECTION 8. Section 683.056, Transportation Code, is amended
9 to read as follows:

10 Sec. 683.056. DEMOLISHER'S DUTY. (a) A motor vehicle
11 demolisher who acquires a motor vehicle for dismantling or
12 demolishing shall obtain from the person delivering the vehicle:

- 13 (1) the motor vehicle's ~~[certificate of]~~ title;
- 14 (2) the auction [a] sales receipt issued by or for a
15 law enforcement agency [for the motor vehicle];
- 16 (3) a transfer document for the vehicle as provided by
17 Subchapter B or ~~[Subchapter] E; [or]~~
- 18 (4) a nonrepairable vehicle title ~~[certificate of~~
19 ~~authority]~~ for the disposal of the motor vehicle; or
- 20 (5) a receipt for an ownership document issued by the
21 department to a salvage vehicle dealer or used automotive parts
22 recycler.

23 (b) A demolisher is not required to obtain a ~~[certificate~~
24 ~~of]~~ title for the vehicle in the demolisher's name.

25 (c) On the department's demand, the demolisher shall
26 surrender for cancellation the ~~[certificate of]~~ title, receipt for
27 an ownership document issued by the department, or nonrepairable

1 vehicle title [~~certificate of authority~~].

2 (d) The department shall adopt rules and forms necessary to
3 regulate the surrender of auction sales receipts and titles
4 [~~certificates of title~~].

5 SECTION 9. Section 2302.256, Occupations Code, is amended
6 to read as follows:

7 Sec. 2302.256. MAINTENANCE OF RECORDS. A salvage vehicle
8 dealer shall maintain a copy of each [~~keep a~~] record required under
9 this subchapter [~~on a form prescribed by the department. The dealer~~
10 ~~shall maintain two copies of each record required under this~~
11 ~~subchapter~~] until the first anniversary of the date the dealer
12 sells or disposes of the item for which the record is maintained.

13 SECTION 10. Section 2309.254(b), Occupations Code, is
14 amended to read as follows:

15 (b) An offense under this section is a Class A [~~C~~]
16 misdemeanor.

17 SECTION 11. Sections 2309.301(b) and (c), Occupations Code,
18 are amended to read as follows:

19 (b) A used automotive parts recycler who acquires ownership
20 of a motor vehicle, nonrepairable motor vehicle, or salvage motor
21 vehicle for the purpose of dismantling, scrapping, or destroying
22 the motor vehicle, shall, before the 31st day after the date of
23 acquiring the motor vehicle, submit to the Texas Department of
24 Motor Vehicles [~~Transportation~~] a properly assigned manufacturer's
25 certificate of origin, regular [~~certificate of~~] title,
26 nonrepairable vehicle title, salvage vehicle title, other
27 ownership document, [~~or~~] comparable out-of-state ownership

1 document for the motor vehicle, or receipt for an ownership
2 document issued by the Texas Department of Motor Vehicles.

3 (c) After receiving the title or document, the Texas
4 Department of Motor Vehicles [~~Transportation~~] shall issue the used
5 automotive parts recycler a receipt for the manufacturer's
6 certificate of origin, regular [~~certificate of~~] title,
7 nonrepairable vehicle title, salvage vehicle title, other
8 ownership document, or comparable out-of-state ownership document.

9 SECTION 12. Section 2309.353, Occupations Code, is amended
10 to read as follows:

11 Sec. 2309.353. DISMANTLEMENT OR DISPOSITION OF MOTOR
12 VEHICLE. A used automotive parts recycler may not dismantle or
13 dispose of a motor vehicle unless the recycler first obtains:

14 (1) a nonrepairable vehicle title [~~certificate of~~
15 ~~authority~~] to dispose of the vehicle, a sales receipt, or a transfer
16 document for the vehicle issued under Chapter 683, Transportation
17 Code; [~~or~~]

18 (2) a [~~certificate of~~] title showing that there are no
19 liens on the vehicle or that all recorded liens have been released;
20 or

21 (3) a receipt for an ownership document issued by the
22 Texas Department of Motor Vehicles.

23 SECTION 13. Section 2309.357, Occupations Code, is amended
24 to read as follows:

25 Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS [~~OR LICENSE~~
26 ~~PLATES~~]. (a) A used automotive parts recycler shall surrender to
27 the Texas Department of Motor Vehicles [~~Transportation~~] for

1 cancellation a [~~certificate of~~] title [~~or authority~~], sales
2 receipt, or transfer document, as required by the department.

3 (b) The Texas Department of Motor Vehicles [~~Transportation~~]
4 shall provide a signed receipt for a surrendered [~~certificate of~~]
5 title or other document.

6 SECTION 14. Section 683.053, Transportation Code, is
7 repealed.

8 SECTION 15. The changes in law made by this Act apply only
9 to an offense committed on or after the effective date of this Act.
10 An offense committed before the effective date of this Act is
11 governed by the law in effect on the date the offense was committed,
12 and the former law is continued in effect for that purpose. For
13 purposes of this section, an offense was committed before the
14 effective date of this Act if any element of the offense occurred
15 before that date.

16 SECTION 16. This Act takes effect September 1, 2013.