

By: Phillips

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. Sections 683.054(a) and (b), Transportation  
15 Code, are amended to read as follows:

16       (a) The department shall issue the applicant a certificate  
17 of authority to dispose of the vehicle to a motor vehicle demolisher  
18 for demolition, wrecking, or dismantling if notice was given under  
19 Section 683.052(e) by the applicant [~~683.053 was given~~] and the  
20 vehicle was not claimed as provided by the notice.

21       (b) Without [~~giving~~] the notice required by Section  
22 683.052(e) [~~683.053~~], the department may issue to an applicant  
23 under Section 683.051(2) a certificate of authority to dispose of  
24 the motor vehicle to a demolisher if the vehicle meets the  
25 requirements of Sections 683.051(2)(A)(ii) and (iii).

26       SECTION 8. Sections 683.056(a) and (c), Transportation  
27 Code, are amended to read as follows:

1 (a) A motor vehicle demolisher who acquires a motor vehicle  
2 for dismantling or demolishing shall obtain from the person  
3 delivering the vehicle:

4 (1) the motor vehicle's [~~certificate of~~] title;

5 (2) a sales receipt for the motor vehicle;

6 (3) a transfer document for the vehicle as provided by  
7 Subchapter B or [~~Subchapter~~] E; [~~or~~]

8 (4) a certificate of authority for the disposal of the  
9 motor vehicle; or

10 (5) a receipt for an ownership document issued by the  
11 department to a salvage vehicle dealer or used automotive parts  
12 recycler.

13 (c) On the department's demand, the demolisher shall  
14 surrender for cancellation the [~~certificate of~~] title, receipt for  
15 an ownership document issued by the department, or certificate of  
16 authority.

17 SECTION 9. Section 2302.256, Occupations Code, is amended  
18 to read as follows:

19 Sec. 2302.256. MAINTENANCE OF RECORDS. A salvage vehicle  
20 dealer shall maintain a copy of each [~~keep a~~] record required under  
21 this subchapter [~~on a form prescribed by the department. The dealer~~  
22 ~~shall maintain two copies of each record required under this~~  
23 ~~subchapter~~] until the first anniversary of the date the dealer  
24 sells or disposes of the item for which the record is maintained.

25 SECTION 10. Section 2302.353, Occupations Code, is amended  
26 by amending Subsection (c) and adding Subsection (c-1) to read as  
27 follows:

1 (c) Except as provided by Subsection (c-1), an [~~An~~] offense  
2 under Subsection (a) is a Class C [~~A~~] misdemeanor.

3 (c-1) If [~~unless~~] it is shown on the trial of an [~~the~~]  
4 offense under Subsection (a) that the defendant has been previously  
5 convicted of:

6 (1) one [~~an~~] offense under that subsection, [~~in which~~  
7 ~~event~~] the offense is a Class A misdemeanor; or

8 (2) two or more offenses under that subsection, the  
9 offense is [~~punishable as~~] a state jail felony.

10 SECTION 11. Section 2309.254(b), Occupations Code, is  
11 amended to read as follows:

12 (b) A first [~~An~~] offense under this section is a Class C  
13 misdemeanor. If it is shown on the trial of an offense under this  
14 section that the defendant has been previously convicted of an  
15 offense under this section, the offense is a Class A misdemeanor.

16 SECTION 12. Sections 2309.301(b) and (c), Occupations Code,  
17 are amended to read as follows:

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

1 document issued by the Texas Department of Motor Vehicles.

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

8 SECTION 13. Section 2309.353, Occupations Code, is amended  
9 to read as follows:

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

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

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

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

21 SECTION 14. Section 2309.357, Occupations Code, is amended  
22 to read as follows:

23 Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS [~~OR LICENSE~~  
24 ~~PLATES~~]. (a) A used automotive parts recycler shall surrender to  
25 the Texas Department of Motor Vehicles [~~Transportation~~] for  
26 cancellation a [~~certificate of~~] title, certificate of [~~or~~]  
27 authority, sales receipt, or transfer document, as required by the



1 department.

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

5 SECTION 15. Section 683.053, Transportation Code, is  
6 repealed.

7 SECTION 16. The changes in law made by this Act apply only  
8 to an offense committed on or after the effective date of this Act.  
9 An offense committed before the effective date of this Act is  
10 governed by the law in effect on the date the offense was committed,  
11 and the former law is continued in effect for that purpose. For  
12 purposes of this section, an offense was committed before the  
13 effective date of this Act if any element of the offense occurred  
14 before that date.

15 SECTION 17. This Act takes effect September 1, 2013.