

AN ACT

relating to notice requirements and other procedures relating to the possession or sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lienholder.

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

SECTION 1. Section 70.001, Property Code, is amended by adding Subsections (b-1) and (b-2) to read as follows:

(b-1) Except as provided by Subsection (b), a lien provided by this section on a motor vehicle, motorboat, vessel, or outboard motor is released when a worker:

(1) receives good and sufficient payment of the amounts due under Subsection (a) and, if applicable, Subsection (d); or

(2) relinquishes possession of the motor vehicle, motorboat, vessel, or outboard motor.

(b-2) A worker's right to possession under this section may not be assigned to a third party in return for payment of any amount due under Subsection (a) or (d).

SECTION 2. Effective September 1, 2015, Sections 70.006(e), (f), (g), and (h), Property Code, are amended to read as follows:

(e) After notice is given under this section to the owner of or the holder of a lien on the motor vehicle, motorboat, vessel, or outboard motor, the owner or holder of the lien may obtain possession of the motor vehicle, motorboat, vessel, or outboard

1 motor by paying all charges due to the holder of a lien under this
2 subchapter before the 31st day after the date a copy of the notice
3 is filed with the county tax assessor-collector's office [~~the~~
4 ~~notice is mailed or published as provided by this section~~].

5 (f) If the charges are not paid before the 31st day after the
6 date that a copy of the notice required by Subsection (a) is filed
7 with the county tax assessor-collector's office [~~day that the~~
8 ~~notice is mailed or published, as applicable~~], the lienholder may
9 sell the motor vehicle, motorboat, vessel, or outboard motor at a
10 public sale and apply the proceeds to the charges. The lienholder
11 shall pay excess proceeds to the person entitled to them. The public
12 sale may not take place before the 31st day after the date a copy of
13 the notice is filed with the county tax assessor-collector's
14 office.

15 (g) After providing notice in accordance with this section,
16 a holder of a possessory lien on a motor vehicle under Section
17 70.001, other than a person licensed as a franchised dealer under
18 Chapter 2301, Occupations Code, shall, on request, [~~not later than~~
19 ~~the 30th day after the date on which the charges accrue, make~~
20 ~~commercially reasonable efforts to~~] allow an owner and each
21 lienholder of record to inspect or arrange an inspection of the
22 motor vehicle by a qualified professional to verify that the
23 repairs were made. The inspection must be completed before the date
24 of the public sale authorized by Subsection (f).

25 (h) Not later than the 15th business day after the date the
26 county tax assessor-collector receives notice under this section,
27 the county tax assessor-collector shall provide a copy of the

1 notice that indicates the date the notice was filed with the county
2 tax assessor-collector to the owner of the motor vehicle and each
3 holder of a lien recorded on the certificate of title of the motor
4 vehicle. Except as provided by this subsection, the county tax
5 assessor-collector shall provide the notice required by this
6 section in the same manner as a holder of a lien is required to
7 provide a notice under this section, except that the county tax
8 assessor-collector is not required to use certified mail. Notice
9 under this section is required regardless of the date on which the
10 charges on which the possessory lien is based accrued.

11 SECTION 3. (a) Sections 70.006(e), (f), and (h), Property
12 Code, as amended by this Act, apply only to a notice required under
13 Section 70.006(a), Property Code, provided on or after September 1,
14 2015. A notice provided before September 1, 2015, is governed by the
15 law as it existed immediately before September 1, 2015, and that law
16 is continued in effect for that purpose.

17 (b) Section 70.006(g), Property Code, as amended by this
18 Act, applies only to a sale of a motor vehicle, motorboat, vessel,
19 or outboard motor for which the notice required under Section
20 70.006(a), Property Code, is provided on or after September 1,
21 2015. A sale for which the notice required under Section 70.006(a),
22 Property Code, is provided before September 1, 2015, is governed by
23 the law as it existed immediately before September 1, 2015, and that
24 law is continued in effect for that purpose.

25 SECTION 4. Except as otherwise provided by this Act, this
26 Act takes effect immediately if it receives a vote of two-thirds of
27 all the members elected to each house, as provided by Section 39,

H.B. No. 2076

1 Article III, Texas Constitution. If this Act does not receive the
2 vote necessary for immediate effect, this Act takes effect
3 September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 2076 was passed by the House on May 12, 2015, by the following vote: Yeas 144, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2076 on May 29, 2015, by the following vote: Yeas 141, Nays 1, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2076 was passed by the Senate, with amendments, on May 27, 2015, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor