

By: Kolkhorst

S.B. No. 1982

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from auctioneer regulation of certain motor vehicle auctions.

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

SECTION 1. Section 1802.002(a), Occupations Code, is amended to read as follows:

(a) This chapter does not apply to:

(1) a sale conducted by order of a United States court under Title 11, United States Code;

(2) a sale conducted by an employee of the United States, this state, or a political subdivision of this state in the course and scope of employment;

(3) a sale conducted by a charitable, religious, or civic organization, including an organization having a tax exempt status under Section 501(c), Internal Revenue Code of 1986, or organized as a nonprofit entity, if the person organizing, arranging, or conducting the auction receives no compensation;

(4) a sale conducted by any person of the person's property if the person is not engaged in the business of selling property at auction on a recurring basis;

(5) a foreclosure sale of real property personally conducted by a trustee under a deed of trust;

(6) a foreclosure sale of personal property personally conducted by:

1 (A) a person who holds a security interest in the  
2 property, including a mortgage; or

3 (B) an employee or agent of a person described by  
4 Paragraph (A) acting in the course and scope of employment, if:

5 (i) the employee or agent is not otherwise  
6 engaged in the auction business; and

7 (ii) all property for sale in the auction is  
8 subject to a security agreement;

9 (7) a sale conducted by sealed bid without the option  
10 of increasing or decreasing the amount of a bid;

11 (8) an auction conducted only for student training  
12 purposes as part of a course of study approved by the department;

13 (9) an auction conducted by a posted stockyard or  
14 market agency as defined by the federal Packers and Stockyards Act  
15 (7 U.S.C. Section 181 et seq.), as amended;

16 (10) an auction of livestock conducted by a nonprofit  
17 livestock trade association chartered in this state, if the auction  
18 involves only the sale of livestock owned by members of the trade  
19 association;

20 (11) an auction conducted by a charitable or nonprofit  
21 organization chartered in this state, if the auction:

22 (A) is part of a fair that is organized under  
23 state, county, or municipal authority; and

24 (B) involves only the sale of property owned by  
25 the organization's members; ~~or~~

26 (12) a sale or auction conducted outside of this  
27 state; or

1           (13) the sale of motor vehicles at auction by a person  
2 who holds a wholesale motor vehicle auction general distinguishing  
3 number issued by the Texas Department of Motor Vehicles.

4           SECTION 2. This Act takes effect immediately if it receives  
5 a vote of two-thirds of all the members elected to each house, as  
6 provided by Section 39, Article III, Texas Constitution. If this  
7 Act does not receive the vote necessary for immediate effect, this  
8 Act takes effect September 1, 2015.