### SENATE AMENDMENTS

### 2<sup>nd</sup> Printing

By: Oliveira, Harless H.B. No. 2076

#### A BILL TO BE ENTITLED

AN ACT

2 relating to notice requirements and other procedures relating to

3 the possession or sale of a motor vehicle, motorboat, vessel, or

4 outboard motor by a possessory lienholder.

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

6 SECTION 1. Sections 70.006(e), (f), (g), and (h), Property

Code, are amended to read as follows:

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8 (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

11 possession of the motor vehicle, motorboat, vessel, or outboard

12 motor by paying all charges due to the holder of a lien under this

13 subchapter before the 31st day after the date a copy of the notice

14 is filed with the county tax assessor-collector's office [the

15 notice is mailed or published as provided by this section].

16 (f) If the charges are not paid before the 31st day after the

17 date that a copy of the notice required by Subsection (a) is filed

18 with the county tax assessor-collector's office [day that the

19 notice is mailed or published, as applicable], the lienholder may

20 sell the motor vehicle, motorboat, vessel, or outboard motor at a

21 public sale and apply the proceeds to the charges. The lienholder

22 shall pay excess proceeds to the person entitled to them. The public

23 sale may not take place before the 31st day after the date a copy of

24 the notice is filed with the county tax assessor-collector's

1 <u>office</u>.

- After providing notice in accordance with this section, 2 3 a holder of a possessory lien on a motor vehicle under Section 70.001, other than a person licensed as a franchised dealer under 4 5 Chapter 2301, Occupations Code, shall, on request, [not later than the 30th day after the date on which the charges accrue, make 6 commercially reasonable efforts to allow an owner and each 7 8 lienholder of record to inspect or arrange an inspection of the motor vehicle by a qualified professional to verify that the 9 repairs were made. The inspection must be completed before the date 10 of the public sale authorized by Subsection (f). 11
- 12 (h) Not later than the 15th business day after the date the 13 county tax assessor-collector receives notice under this section, 14 the county tax assessor-collector shall provide a copy of the 15 notice that indicates the date the notice was filed with the county tax assessor-collector to the owner of the motor vehicle and each 16 17 holder of a lien recorded on the certificate of title of the motor vehicle. Except as provided by this subsection, the county tax 18 19 assessor-collector shall provide the notice required by this section in the same manner as a holder of a lien is required to 20 provide a notice under this section, except that the county tax 21 assessor-collector is not required to use certified mail. Notice 22 23 under this section is required regardless of the date on which the 24 charges on which the possessory lien is based accrued.
- SECTION 2. (a) Sections 70.006(e), (f), and (h), Property Code, as amended by this Act, apply only to a notice required under Section 70.006(a), Property Code, provided on or after the

H.B. No. 2076

- 1 effective date of this Act. A notice provided before the effective
- 2 date of this Act is governed by the law as it existed immediately
- 3 before the effective date of this Act, and that law is continued in
- 4 effect for that purpose.
- 5 (b) Section 70.006(g), Property Code, as amended by this
- 6 Act, applies only to a sale of a motor vehicle, motorboat, vessel,
- 7 or outboard motor for which the notice required under Section
- 8 70.006(a), Property Code, is provided on or after the effective
- 9 date of this Act. A sale for which the notice required under Section
- 10 70.006(a), Property Code, is provided before the effective date of
- 11 this Act is governed by the law as it existed immediately before the
- 12 effective date of this Act, and that law is continued in effect for
- 13 that purpose.
- 14 SECTION 3. This Act takes effect September 1, 2015.

ADOPTED

MAY 27 2015

Secretary of the Senate

Ву:	B.	No
Substitute the following forB. No:  By:		
Ву:	с.s. <u>Н</u> .в.	No. 2076

#### A BILL TO BE ENTITLED

- 1 AN ACT
- 2 relating to notice requirements and other procedures relating to
- 3 the possession or sale of a motor vehicle, motorboat, vessel, or
- 4 outboard motor by a possessory lienholder.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 70.001, Property Code, is amended by
- 7 adding Subsections (b-1) and (b-2) to read as follows:
- 8 (b-1) Except as provided by Subsection (b), a lien provided
- 9 by this section on a motor vehicle, motorboat, vessel, or outboard
- 10 motor is released when a worker:
- 11 (1) receives good and sufficient payment of the
- 12 amounts due under Subsection (a) and, if applicable, Subsection
- 13 (d); or
- (2) relinquishes possession of the motor vehicle,
- 15 motorboat, vessel, or outboard motor.
- 16 (b-2) A worker's right to possession under this section may
- 17 not be assigned to a third party in return for payment of any amount
- 18 <u>due under Subsection (a) or (d).</u>
- SECTION 2. Effective September 1, 2015, Sections 70.006(e),
- 20 (f), (g), and (h), Property Code, are amended to read as follows:
- (e) After notice is given under this section to the owner of
- 22 or the holder of a lien on the motor vehicle, motorboat, vessel, or
- 23 outboard motor, the owner or holder of the lien may obtain
- 24 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 <u>a copy of the notice</u>
- 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
- of the public sale authorized by Subsection (f).
- (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 <u>tax assessor-collector</u> 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.
- 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.
- (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,

- 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.

#### FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

#### May 28, 2015

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2076 by Oliveira (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.), As Passed 2nd House

### No fiscal implication to the State is anticipated.

The bill would amend the Property Code relating to the sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lien holder.

The bill would amend the Property Code to require a copy of the notice given to the owner or holder of a lien on a motor vehicle, motorboat, vessel, or outboard motor to be filed with the county tax assessor-collector's office. The bill would stipulate the public sale of the motor vehicle, motorboat, vessel, or outboard motor could not take place before the 31st day after the date a copy of the notice was filed with the county tax assessor collector's office.

The bill would require the county tax assessor-collector to provide notice, not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

#### FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

#### May 25, 2015

TO: Honorable Kevin Eltife, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB2076 by Oliveira (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.), Committee Report 2nd House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Property Code relating to the sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lien holder.

The bill would amend the Property Code to require a copy of the notice given to the owner or holder of a lien on a motor vehicle, motorboat, vessel, or outboard motor to be filed with the county tax assessor-collector's office. The bill would stipulate the public sale of the motor vehicle, motorboat, vessel, or outboard motor could not take place before the 31st day after the date a copy of the notice was filed with the county tax assessor collector's office.

The bill would require the county tax assessor-collector to provide notice, not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

#### FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

#### May 15, 2015

TO: Honorable Kevin Eltife, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2076** by Oliveira (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.), **As Engrossed** 

### No fiscal implication to the State is anticipated.

The bill would amend the Property Code relating to the sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lien holder.

The bill would amend the Property Code to require a copy of the notice given to the owner or holder of a lien on a motor vehicle, motorboat, vessel, or outboard motor to be filed with the county tax assessor-collector's office. The bill would stipulate the public sale of the motor vehicle, motorboat, vessel, or outboard motor could not take place before the 31st day after the date a copy of the notice was filed with the county tax assessor collector's office.

The bill would require the county tax assessor-collector to provide notice, not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle.

The bill would take effect September 1, 2015.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

#### FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

#### April 16, 2015

TO: Honorable René Oliveira, Chair, House Committee on Business & Industry

FROM: Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB2076 by Oliveira (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.), Committee Report 1st House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Property Code relating to the sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lien holder.

The bill would amend the Property Code to require a copy of the notice given to the owner or holder of a lien on a motor vehicle, motorboat, vessel, or outboard motor to be filed with the county tax assessor-collector's office. The bill would stipulate the public sale of the motor vehicle, motorboat, vessel, or outboard motor could not take place before the 31st day after the date a copy of the notice was filed with the county tax assessor collector's office.

The bill would require the county tax assessor-collector to provide notice, not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle.

The bill would take effect September 1, 2015.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

#### FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

#### April 6, 2015

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2076 by Oliveira (Relating to the sale of a motor vehicle, motorboat, vessel, or

outboard motor by a possessory lienholder.), As Introduced

#### No fiscal implication to the State is anticipated.

The bill would amend the Property Code relating to the sale of a motor vehicle, motorboat, vessel, or outboard motor by a possessory lien holder.

The bill would amend Sections 70.006 (e) and (f) to require a copy of the notice given under this Section to the owner or holder of a lien on a motor vehicle, motorboat, vessel, or outboard motor to be filed with the county tax assessor-collector's office. Currently, such notice is required to be mailed or published as provided by this Section. The bill would also amend Section 70.006(f) to stipulate the public sale of the motor vehicle, motorboat, vessel, or outboard motor could not take place before the 31st day after the date a copy of the notice was filed with the county tax assessor collector's office.

The bill would amend Section 70.006 (h) to require the county tax assessor-collector to provide notice, not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle.

The bill would take effect September 1, 2015.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts