By: Pickett H.B. No. 2462

## A BILL TO BE ENTITLED

1	AN ACT

- 2 relating to the titling of motor vehicles; creating a criminal
- 3 offense and authorizing fees.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 501.002(30), Transportation Code, is
- 6 amended to read as follows:
- 7 (30) "Travel trailer" means a house trailer-type
- 8 vehicle or a camper trailer:
- 9 (A) that is a recreational vehicle defined under
- 10 24 C.F.R. Section 3282.8(g); or
- 11 (B) that:
- 12 (i) is less than eight feet <u>six inches</u> in
- 13 width or 45 [40] feet in length, exclusive of any hitch installed on
- 14 the vehicle;
- 15 (ii) is designed primarily for use as
- 16 temporary living quarters in connection with recreational,
- 17 camping, travel, or seasonal use;
- 18 (iii) is not used as a permanent dwelling;
- 19 and
- 20 (iv) is not a utility trailer, enclosed
- 21 trailer, or other trailer that does not have human habitation as its
- 22 primary function.
- SECTION 2. Section 501.004(b), Transportation Code, is
- 24 amended to read as follows:

- 1 (b) This chapter does not apply to:
- 2 (1) a <u>farm</u> trailer or <u>farm</u> semitrailer <u>with a gross</u>
- 3 vehicle weight of not more than 34,000 pounds used only for the
- 4 transportation of farm products if the products are not transported
- 5 for hire;
- 6 (2) the filing or recording of a lien that is created
- 7 only on an automobile accessory, including a tire, radio, or
- 8 heater;
- 9 (3) a motor vehicle while it is owned or operated by
- 10 the United States; or
- 11 (4) a new motor vehicle on loan to a political
- 12 subdivision of the state for use only in a driver education course
- 13 conducted by an entity exempt from licensure under Section
- 14 1001.002, Education Code.
- SECTION 3. Section 501.021(a), Transportation Code, is
- 16 amended to read as follows:
- 17 (a) A motor vehicle title issued by the department must
- 18 include:
- 19 (1) the legal name and address of each purchaser [and
- 20 seller at the first sale or a subsequent sale];
- 21 (2) the <u>legal name of each seller and the municipality</u>
- 22 and state in which each seller is located or resides [make of the
- 23 motor vehicle];
- 24 (3) the <u>year</u>, <u>make</u>, <u>and</u> body <u>style</u> [<del>type</del>] of the
- 25 vehicle;
- 26 (4) the [manufacturer's permanent] vehicle
- 27 identification number of the vehicle [or the vehicle's motor number

- 1 if the vehicle was manufactured before the date that stamping a
- 2 permanent identification number on a motor vehicle was universally
- 3 adopted];
- 4 (5) <u>if the vehicle is subject to odometer disclosure</u>
- 5 under Section 501.072, the odometer reading and odometer brand as
- 6 <u>recorded on the last title assignment</u> [<del>serial number</del>] for the
- 7 vehicle;
- 8 (6) the name and address of each lienholder and the
- 9 date of each lien on the vehicle, listed in the chronological order
- 10 in which the lien was recorded;
- 11 (7) a statement indicating rights of survivorship
- 12 under Section 501.031; and
- 13 (8) [if the vehicle has an odometer, the odometer
- 14 reading at the time of application for the title; and
- 15  $\left[\frac{(9)}{}\right]$  any other information required by the
- 16 department.
- 17 SECTION 4. Section 501.023(a), Transportation Code, is
- 18 amended to read as follows:
- 19 (a) The owner of a motor vehicle must present identification
- 20 and apply for a title as prescribed by the department, unless
- 21 otherwise exempted by law. To obtain a title, the owner must apply:
- 22 (1) to the county assessor-collector in the county in
- 23 which:
- 24 (A) the owner is domiciled; or
- 25 (B) the motor vehicle is purchased or encumbered;
- 26 or
- 27 (2) [if the county in which the owner resides has been

- 1 declared by the governor as a disaster area, to the county
- 2 assessor-collector in one of the closest unaffected counties to a
- 3 county that asks for assistance and:
- 4  $[(\Lambda) ]$  continues to be declared by the governor as
- 5 a disaster area because the county has been rendered inoperable by
- 6 the disaster; and
- 7 [(B) is inoperable for a protracted period of
- 8 time; or
- 9 [(3) if the county assessor-collector's office of the
- 10 county in which the owner resides is closed for a protracted period
- 11 of time as defined by the department, of the county
- 12 assessor-collector of a county [that borders the county in which
- 13 the owner resides] who is willing [agrees] to accept the
- 14 application if the county assessor-collector's office of the county
- 15 in which the owner resides is closed or may be closed for a
- 16 protracted period of time as defined by the department.
- 17 SECTION 5. Section 501.030(a), Transportation Code, is
- 18 amended to read as follows:
- 19 (a) Before a motor vehicle that was last registered or
- 20 titled in another state or country may be titled in this state, the
- 21 county assessor-collector shall verify that the vehicle has passed
- 22 the inspections required by Chapter 548, as indicated in the
- 23 Department of Public Safety's inspection database under Section
- 24 548.251, or that the owner has obtained an identification number
- 25 inspection in accordance with department rule.
- SECTION 6. The heading to Section 501.032, Transportation
- 27 Code, is amended to read as follows:

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- 1 Sec. 501.032. [ASSIGNMENT OF VEHICLE] IDENTIFICATION
- 2 NUMBER INSPECTION REQUIRED [BY DEPARTMENT].
- 3 SECTION 7. Sections 501.032(a) and (b), Transportation
- 4 Code, are amended to read as follows:
- 5 (a) In addition to any requirement established by
- 6 department rule, a motor vehicle, trailer, or semitrailer must have
- 7 an identification number inspection under Section 501.0321 if:
- 8 (1) the department does not have a record of title for
- 9 the vehicle, trailer, or semitrailer in the department's
- 10 registration and title system, and the owner of the vehicle,
- 11 trailer, or semitrailer is filing a bond with the department under
- 12 Section 501.053;
- 13 (2) the vehicle, trailer, or semitrailer was last
- 14 <u>titled or registered outside of the United States and imported into</u>
- 15 the United States; or
- 16 (3) the owner or person claiming ownership requires an
- 17 assigned or reassigned identification number under Section 501.033
- 18 [On proper application, the department shall assign a vehicle
- 19 identification number to a travel trailer, a trailer or
- 20 semitrailer, a frame, or an item of equipment, including a tractor,
- 21 farm implement, unit of special mobile equipment, or unit of
- 22 off-road construction equipment:
- [(1) on which a vehicle identification number was not
- 24 die-stamped by the manufacturer;
- 25 [(2) on which a vehicle identification number
- 26 die-stamped by the manufacturer has been lost, removed, or
- 27 <del>obliterated; or</del>

- [(3) for which a vehicle identification number was never assigned].

  (b) An active duty member of a branch of the United States
- 4 armed forces, or an immediate family member of such a member,
  5 returning to Texas with acceptable proof of the active duty status
  6 is exempt from an identification number inspection required under
  7 Subsection (a)(2) [The applicant shall die-stamp the assigned
  8 vehicle identification number at the place designated by the
  9 department on the travel trailer, trailer, semitrailer, frame, or
  10 equipment].
- SECTION 8. Subchapter B, Chapter 501, Transportation Code, is amended by adding Sections 501.0321 and 501.0322 to read as follows:
- Sec. 501.0321. IDENTIFICATION NUMBER INSPECTION. (a) An inspection required under Section 501.032 must verify, as applicable, the identity of:
- 17 (1) a motor vehicle;
- 18 <u>(2) a trailer or semitrailer;</u>
- 19 (3) a frame, body, or motor of a motor vehicle; or
- 20 (4) an item of equipment not required to be titled but
- 21 that may be registered under Chapter 502 or issued licensed plates
- 22 <u>under Chapter 504.</u>
- (b) An inspection under this section may not rely solely on
- 24 the public identification number to verify the identity.
- 25 (c) An inspection under this section may be performed only
- 26 by a person who has successfully completed an appropriate training
- 27 program as determined by department rule and is:

- 1 (1) an auto theft investigator who is a law
- 2 enforcement officer of this state or a political subdivision of
- 3 this state;
- 4 (2) a person working under the direct supervision of a
- 5 person described by Subdivision (1); or
- 6 (3) an employee of the department authorized by the
- 7 department to perform an inspection under this section.
- 8 (d) The department shall prescribe a form on which the
- 9 identification number inspection is to be recorded. The department
- 10 may provide the form only to a person described by Subsection (c).
- 11 (e) The department or another entity that provides an
- 12 inspection under this section may impose a fee of not more than \$40
- 13 for the inspection. The county or municipal treasurer of a county
- 14 or municipal entity that provides an inspection under this section
- 15 shall credit the fee to the general fund of the county or
- 16 municipality, as applicable, to defray the entity's cost associated
- 17 with the inspection. If the department provides an inspection
- 18 under this section, the fee shall be deposited to the credit of the
- 19 Texas Department of Motor Vehicles fund.
- 20 (f) The department may not impose a fee for an inspection
- 21 requested by the department. The department shall include a
- 22 <u>notification of the waiver to the owner at the time the department</u>
- 23 requests the identification number inspection.
- Sec. 501.0322. ALTERNATIVE IDENTIFICATION NUMBER
- 25 INSPECTION. The department by rule may establish a process for
- 26 verifying the identity of an item listed in Section 501.0321(a) as
- 27 an alternative to an identification number inspection under Section

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- 1 501.0321. The rules may include the persons authorized to perform
- 2 the inspection, when an alternative inspection under this section
- 3 is required, and any fees that may be assessed. Any fee authorized
- 4 must comply with Sections 501.0321(e) and (f).
- 5 SECTION 9. Section 501.033, Transportation Code, is amended
- 6 to read as follows:
- 7 Sec. 501.033. ASSIGNMENT AND REASSIGNMENT OF
- 8 IDENTIFICATION NUMBER BY DEPARTMENT. (a) If the permanent
- 9 identification number affixed by the manufacturer has been removed,
- 10 altered, or obliterated, or a permanent identification number was
- 11 never assigned, the department shall assign an identification
- 12 number to [A person determined by law enforcement or a court to be
- 13 the owner of a motor vehicle, [travel trailer,] semitrailer, [or]
- 14 trailer, engine [a part of a motor vehicle], [travel trailer,
- 15 semitrailer, or trailer, a frame, or body of a motor vehicle, or an
- 16 item of equipment not required to be titled but that may be
- 17 registered or issued license plates under Chapter 502 on inspection
- 18 under Section 501.0321 and application to the department [including
- 19 a tractor, farm implement, unit of special mobile equipment, or
- 20 unit of off-road construction equipment may apply to the department
- 21 for an assigned vehicle identification number that has been
- 22 removed, altered, obliterated, or has never been assigned].
- 23 (b) An application under this section must be in a manner
- 24 prescribed by the department and accompanied by valid evidence of
- 25 ownership in the name of, or properly assigned to, the applicant as
- 26 required by the department.
- (c) A fee of \$2 must accompany each application under this

- 1 section to be deposited in the Texas Department of Motor Vehicles
- 2 fund.
- 3 (d) The assigned [vehicle] identification number shall be
- 4 die-stamped or otherwise affixed in the manner and location
- 5 designated by the department.
- 6 (e) The department shall reassign an original
- 7 manufacturer's identification number only if the person who
- 8 conducts the inspection under Section 501.0321 determines that the
- 9 permanent identification number affixed by the manufacturer has
- 10 been removed, altered, or obliterated [If the auto theft unit of a
- 11 county or municipal law enforcement agency conducts an inspection
- 12 required by the department under this section, the agency may
- 13 impose a fee of \$40. The county or municipal treasurer shall credit
- 14 the fee to the general fund of the county or municipality, as
- 15 applicable, to defray the agency's cost associated with the
- 16 inspection. The fee shall be waived by the department or agency
- 17 imposing the fee if the person applying under this section is the
- 18 current registered owner].
- 19 <u>(f) If the department reassigns a manufacturer's</u>
- 20 identification number, a representative of the department shall
- 21 affix the number in a manner and location designated by the
- 22 <u>department</u>.
- 23 (g) On affixing an assigned identification number or
- 24 witnessing the affixing of a reassigned identification number, the
- 25 owner shall certify on a form prescribed by the department that the
- 26 identification number has been affixed in the manner and location
- 27 designated by the department and shall submit the form in a manner

- 1 prescribed by the department.
- 2 (h) Only the department may issue an identification number
- 3 to a motor vehicle, trailer, semitrailer, engine, frame, or body of
- 4 a motor vehicle, or an item of equipment not required to be titled
- 5 but that may be registered or issued license plates under Chapter
- 6 502. The department may not recognize an identification number
- 7 assigned by any other agency or political subdivision of this
- 8 state.
- 9 SECTION 10. Section 501.036, Transportation Code, is
- 10 amended to read as follows:
- 11 Sec. 501.036. TITLE FOR FARM TRAILER OR FARM SEMITRAILER.
- 12 (a) Notwithstanding any other provision of this chapter, the
- 13 department may issue a title for a farm trailer or farm semitrailer
- 14 with a gross vehicle weight of not more than 34,000 [4,000] pounds
- 15 if[+
- 16 [(1) the farm semitrailer is eligible for registration
- 17 under Section 502.146; and
- 18  $\left[\frac{(2)}{2}\right]$  all  $\left[\frac{\text{other}}{2}\right]$  requirements for issuance of a title
- 19 are met.
- 20 (b) To obtain a title under this section, the owner [of the
- 21 <u>farm semitrailer</u>] must:
- 22 (1) apply for the title in the manner required by
- 23 Section 501.023; and
- 24 (2) pay the fee required by Section 501.138.
- 25 (c) A subsequent purchaser of a farm trailer or farm
- 26 <u>semitrailer titled previously under this section or in another</u>
- 27 jurisdiction must obtain a title under [The department shall adopt

- 1 rules to implement and administer] this section.
- 2 SECTION 11. Section 501.037, Transportation Code, is
- 3 amended to read as follows:
- 4 Sec. 501.037. TITLE FOR TRAILERS OR SEMITRAILERS. (a)
- 5 Notwithstanding any other provision of this chapter, the department
- 6 may issue a title for a trailer or semitrailer that has a gross
- 7 vehicle weight of 4,000 pounds or less if all other requirements for
- 8 issuance of a title are met.
- 9 (b) To obtain a title under this section, the owner of the
- 10 trailer or semitrailer must:
- 11 (1) apply for the title in the manner required by
- 12 Section 501.023; and
- 13 (2) pay the fee required by Section 501.138.
- 14 (c) A subsequent purchaser of a trailer or semitrailer
- 15 titled previously under this section or in another jurisdiction
- 16 <u>must obtain a title under this section.</u>
- 17 SECTION 12. Section 501.071(a), Transportation Code, is
- 18 amended to read as follows:
- 19 (a) Except as provided by Sections 503.036 and [in Section]
- 20 503.039, a motor vehicle may not be the subject of a subsequent sale
- 21 unless the owner designated on the title submits a transfer of
- 22 ownership of the title.
- 23 SECTION 13. Section 501.072, Transportation Code, is
- 24 amended to read as follows:
- Sec. 501.072. ODOMETER DISCLOSURE STATEMENT. (a) Except
- 26 as provided by Subsection (c), the transferor [seller] of a motor
- 27 vehicle transferred [sold] in this state shall provide to the

- 1 transferee [buyer, on a form prescribed by the department,] a
- 2 [written] disclosure of the vehicle's odometer reading at the time
- 3 of the transfer in compliance with 49 C.F.R. Part 580 [sale. The
- 4 form must include space for the signature and printed name of both
- 5 the seller and buyer].
- 6 (b) When application for a [certificate of] title is made,
- 7 the <u>transferee</u> [owner] shall record the [current] odometer reading
- 8 on the application. The [written] disclosure required by
- 9 Subsection (a) must accompany the application.
- 10 (c) An odometer disclosure statement is not required for the
- 11 transfer [sale] of a motor vehicle that is exempt from odometer
- 12 disclosure requirements under 49 C.F.R. Section 580.17 [+
- 13 [(1) has a manufacturer's rated carrying capacity of
- 14 more than two tons;
- 15 [(2) is not self-propelled;
- 16 [<del>(3) is 10 or more years old;</del>
- 17 [(4) is sold directly by the manufacturer to an agency
- 18 of the United States government in conformity with contractual
- 19 specifications; or
- [(5) is a new motor vehicle].
- 21 (d) The department shall provide for use consistent with 49
- 22 <u>C.F.R. Part 580:</u>
- 23 (1) a secure power of attorney form; and
- 24 (2) a secure reassignment form for licensed motor
- 25 <u>vehicle dealers</u>.
- 26 (e) In this section, "transferee" and "transferor" have the
- 27 meanings assigned by 49 C.F.R. Section 580.3.

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- 1 SECTION 14. Section 501.091(9), Transportation Code, is
- 2 amended to read as follows:
- 3 (9) "Nonrepairable motor vehicle" means a motor
- 4 vehicle [that]:
- 5 (A) that is damaged, wrecked, or burned to the
- 6 extent that the only residual value of the vehicle is as a source of
- 7 parts or scrap metal; [ex]
- 8 (B) that comes into this state under a comparable
- 9 ownership document that indicates that the vehicle is
- 10 nonrepairable;
- 11 (C) that a salvage vehicle dealer has reported to
- 12 the department under Section 501.1003;
- 13 (D) for which an owner has surrendered evidence
- 14 of ownership for the purpose of dismantling, scrapping, or
- 15 <u>destroying the motor vehicle;</u>
- (E) that is sold for export only by a salvage
- 17 motor vehicle dealer under Section 501.099; or
- 18 (F) that is sold and the sale is reported as an
- 19 export-only sale to the National Motor Vehicle Title Information
- 20 System by any state, jurisdiction, or entity required to report to
- 21 the National Motor Vehicle Title Information System.
- 22 SECTION 15. Section 501.09113(a), Transportation Code, is
- 23 amended to read as follows:
- 24 (a) On receipt of a proper application from the owner of a
- 25 motor vehicle, the department shall issue the applicant the
- 26 appropriate title with any notations determined by the department
- 27 as necessary to describe or disclose the motor vehicle's current or

- 1 former condition if the [This section applies only to a] motor
- 2 vehicle was brought into this state from another state or
- 3 jurisdiction and [that] has on any title or comparable out-of-state
- 4 ownership document issued by the other state or jurisdiction or
- 5 record in the National Motor Vehicle Title Information System
- 6 reported by another state or jurisdiction:
- 7 (1) a "rebuilt," <u>"repaired," "reconstructed," "flood</u>
- 8 <u>damage," "fire damage," "owner retained,"</u> "salvage," or similar
- 9 notation; or
- 10 (2) a "nonrepairable," "dismantle only," "parts
- 11 only," "junked," "scrapped," "crushed," "totaled," or similar
- 12 notation.
- SECTION 16. Section 501.097(a), Transportation Code, as
- 14 amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of
- 15 the 82nd Legislature, Regular Session, 2011, is reenacted to read
- 16 as follows:
- 17 (a) An application for a nonrepairable vehicle title,
- 18 nonrepairable record of title, salvage vehicle title, or salvage
- 19 record of title must:
- 20 (1) be made in a manner prescribed by the department
- 21 and accompanied by a \$8 application fee;
- 22 (2) include, in addition to any other information
- 23 required by the department:
- (A) the name and current address of the owner;
- 25 and
- 26 (B) a description of the motor vehicle, including
- 27 the make, style of body, model year, and vehicle identification

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1 number; and
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- 2 (3) include the name and address of:
- 3 (A) any currently recorded lienholder, if the
- 4 motor vehicle is a nonrepairable motor vehicle; or
- 5 (B) any currently recorded lienholder or a new
- 6 lienholder, if the motor vehicle is a salvage motor vehicle.
- 7 SECTION 17. Section 501.1001(a), Transportation Code, as
- 8 amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of
- 9 the 82nd Legislature, Regular Session, 2011, is reenacted and
- 10 amended to read as follows:
- 11 (a) Except as provided by Section 501.0925, an insurance
- 12 company that is licensed to conduct business in this state and that
- 13 acquires, through payment of a claim, ownership or possession of a
- 14 salvage motor vehicle or nonrepairable motor vehicle [covered by a
- 15 certificate of title issued by this state or a manufacturer's
- 16  $\frac{\text{certificate of origin}}{\text{certificate of origin}}$  shall surrender  $\frac{\text{the}}{\text{certificate of origin}}$
- 17 evidence of ownership and apply for the appropriate title under
- 18 Section 501.097 [title or manufacturer's certificate of origin to
- 19 the department, on a form prescribed by the department].
- SECTION 18. Section 501.1002(a), Transportation Code, as
- 21 amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of
- 22 the 82nd Legislature, Regular Session, 2011, is reenacted to read
- 23 as follows:
- 24 (a) If an insurance company pays a claim on a nonrepairable
- 25 motor vehicle or salvage motor vehicle and the insurance company
- 26 does not acquire ownership of the motor vehicle, the insurance
- 27 company shall:

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- 1 (1) submit to the department, before the 31st day
- 2 after the date of the payment of the claim, on the form prescribed
- 3 by the department, a report stating that the insurance company:
- 4 (A) has paid a claim on the motor vehicle; and
- 5 (B) has not acquired ownership of the motor
- 6 vehicle; and
- 7 (2) provide notice to the owner of the motor vehicle
- 8 of:
- 9 (A) the report required under Subdivision (1);
- 10 and
- 11 (B) the requirements for operation or transfer of
- 12 ownership of the motor vehicle under Subsection (b).
- 13 SECTION 19. Section 501.1002(b), Transportation Code, is
- 14 amended to read as follows:
- 15 (b) The owner of a <u>salvage or nonrepairable</u> motor vehicle
- 16 [to which this section applies] may not [operate or permit
- 17 operation of the motor vehicle on a public highway or] transfer
- 18 ownership of the motor vehicle by sale or otherwise unless the
- 19 department has issued a salvage vehicle title, salvage record of
- 20 title, nonrepairable vehicle title, or nonrepairable record of
- 21 title for the motor vehicle or a comparable ownership document has
- 22 been issued by another state or jurisdiction for the motor vehicle
- 23 <u>in the name of the owner</u>.
- 24 SECTION 20. Section 501.109, Transportation Code, is
- 25 amended by amending Subsections (d) and (e) and adding Subsections
- 26 (g) and (h) to read as follows:
- 27 (d) Except as provided by Subsection (e), an offense under

- 1 <u>Subsection (a), (b), or (c)</u> [this section] is a Class C misdemeanor.
- 2 (e) If it is shown on the trial of an offense under
- 3 Subsection (a), (b), or (c) [this section] that the defendant has
- 4 been previously convicted of:
- 5 (1) one offense under Subsection (a), (b), or (c)
- 6 [this section], the offense is a Class B misdemeanor; or
- 7 (2) two or more offenses under <u>Subsection (a), (b), or</u>
- 8 (c) [this section], the offense is a state jail felony.
- 9 (g) A person commits an offense if the person knowingly
- 10 provides false or incorrect information or without legal authority
- 11 signs the name of another person on:
- 12 (1) an application for a title to a nonrepairable
- 13 motor vehicle or salvage motor vehicle;
- 14 (2) an application for a certified copy of an original
- 15 title to a nonrepairable motor vehicle or salvage motor vehicle;
- 16 (3) an assignment of title for a nonrepairable motor
- 17 vehicle or salvage motor vehicle;
- 18 (4) a discharge of a lien on a title for a
- 19 nonrepairable motor vehicle or salvage motor vehicle; or
- 20 (5) any other document required by the department or
- 21 necessary for the transfer of ownership of a nonrepairable motor
- 22 <u>vehicle or salvage motor vehicle.</u>
- 23 (h) An offense under Subsection (g) is a felony of the third
- 24 degree.
- 25 SECTION 21. Effective January 1, 2019, the heading to
- 26 Section 501.134, Transportation Code, is amended to read as
- 27 follows:

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- 1 Sec. 501.134. <u>CERTIFIED COPY OF</u> LOST OR DESTROYED
- 2 CERTIFICATE OF TITLE.
- 3 SECTION 22. Effective January 1, 2019, Sections 501.134(a),
- 4 (b), (c), and (d), Transportation Code, are amended to read as
- 5 follows:
- 6 (a) If a printed title is lost or destroyed, the owner or
- 7 lienholder disclosed on the title may obtain, in the manner
- 8 provided by this section and department rule, a certified copy of
- 9 the lost or destroyed title directly from the department by
- 10 applying in a manner prescribed by the department and paying a fee
- 11 of \$2. A fee collected under this subsection shall be deposited to
- 12 the credit of the Texas Department of Motor Vehicles fund [and may
- 13 be spent only as provided by Section 501.138].
- 14 (b) If a lien is disclosed on a title, the department may
- 15 issue a certified copy of the [original] title only to the first
- 16 lienholder or the lienholder's verified agent <u>unless the owner has</u>
- 17 original proof from the lienholder of lien satisfaction.
- 18 (c) The department must plainly mark "certified copy" on the
- 19 face of a certified copy issued under this section. [A subsequent
- 20 purchaser or lienholder of the vehicle only acquires the rights,
- 21 title, or interest in the vehicle held by the holder of the
- 22 certified copy.
- 23 (d) A certified copy of the title that is lawfully obtained
- 24 under this section supersedes and invalidates any previously issued
- 25 title or certified copy. If the certified copy of the title is
- 26 later rescinded, canceled, or revoked under Section 501.051, the
- 27 department may revalidate a previously superseded or invalidated

- 1 title or certified copy of title [A purchaser or lienholder of a
- 2 motor vehicle having a certified copy issued under this section may
- 3 at the time of the purchase or establishment of the lien require
- 4 that the seller or owner indemnify the purchaser or lienholder and
- 5 all subsequent purchasers of the vehicle against any loss the
- 6 person may suffer because of a claim presented on the original
- 7 title].
- 8 SECTION 23. Section 541.201(5), Transportation Code, is
- 9 amended to read as follows:
- 10 (5) "House trailer" means a trailer or semitrailer,
- 11 other than a towable recreational vehicle, that:
- 12 (A) is transportable on a highway in one or more
- 13 sections;
- (B) is less than  $45 \left[ \frac{40}{40} \right]$  feet in length,
- 15 excluding tow bar, while in the traveling mode;
- 16 (C) is built on a permanent chassis;
- 17 (D) is designed to be used as a dwelling or for
- 18 commercial purposes if connected to required utilities; and
- 19 (E) includes plumbing, heating,
- 20 air-conditioning, and electrical systems.
- 21 SECTION 24. The following provisions of the Transportation
- 22 Code are repealed:
- 23 (1) Sections 501.032(c) and (d); and
- 24 (2) Section 501.09113(b).
- 25 SECTION 25. Except as otherwise provided by this Act, this
- 26 Act takes effect September 1, 2017.