

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. The heading to Subchapter D, Chapter 683, Transportation Code, is amended to read as follows:

SUBCHAPTER D. DEMOLITION OF ~~[ABANDONED]~~
MOTOR VEHICLES

SECTION 2. Sections 683.051, 683.052, 683.053, and 683.054, Transportation Code, are amended to read as follows:

Sec. 683.051. APPLICATION FOR AUTHORIZATION TO DISPOSE OF CERTAIN MOTOR VEHICLES. A person may apply to the department for authority:

(1) to sell, give away, or dispose of a motor vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if:

(A) the person is the recorded owner or has been transferred ownership of ~~[owns]~~ the motor vehicle ~~[and the certificate of title to the vehicle is lost, destroyed, or faulty]~~; or

(B) the vehicle is an abandoned motor vehicle and is:

(i) in the possession of the person; or

(ii) located on property owned by the person; or

(2) to dispose of a motor vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if:

(A) the ~~[abandoned]~~ motor vehicle is in the possession of a lienholder under:

(i) Chapter 54, 59, or 70, Property Code ~~[is in the possession of the person]~~; or

(ii) Chapter 2303, Occupations Code ~~[is more than eight years old]~~;

~~[(iii) either has no motor or is otherwise totally inoperable or does not comply with all applicable air pollution emissions control related requirements included in the vehicle emissions~~

SENATE VERSION (CS)

SECTION 1. Same as House version.

SECTION 2. Sections 683.051, 683.052, 683.053, and 683.054, Transportation Code, are amended to read as follows:

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(1) to sell, give away, or dispose of a motor vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if:

(A) the person is the recorded owner or has been transferred ownership of ~~[owns]~~ the motor vehicle ~~[and the certificate of title to the vehicle is lost, destroyed, or faulty]~~; or

(B) the vehicle is an abandoned motor vehicle and is:

(i) in the possession of the person; or

(ii) located on property owned by the person; or

(2) to dispose of a motor vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if:

(A) the ~~[abandoned]~~ motor vehicle is in the possession of a lienholder under:

(i) Chapter 54, 59, or 70, Property Code ~~[is in the possession of the person]~~; or

(ii) Chapter 2303, Occupations Code ~~[is more than eight years old]~~;

~~[(iii) either has no motor or is otherwise totally inoperable or does not comply with all applicable air pollution emissions control related requirements included in the vehicle emissions~~

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

~~inspection and maintenance requirements contained in the Public Safety Commission's motor vehicle emissions inspection and maintenance program under Subchapter F, Chapter 548, or the state's air quality state implementation plan; and~~

~~[(iv) was authorized to be towed by a law enforcement agency; and]~~

(B) the lienholder has complied with all notification requirements of the applicable chapter to foreclose on the lien; and

(C) the lienholder determines:

(i) the motor vehicle's only residual value is as a source of parts or scrap metal; or

(ii) it is not economical to dispose of the vehicle at a public sale [the law enforcement agency approves the application].

Sec. 683.052. CONTENTS OF APPLICATION; APPLICATION FEE. (a) An application under Section 683.051 must be made in a manner prescribed by the department and include:

(1) ~~[contain]~~ the name and address of the applicant;

(2) ~~[state]~~ the year, make, model, body style, and vehicle identification number of the vehicle, if ascertainable~~[-and any other identifying feature of the vehicle]; [and]~~

(3) a certification by the applicant that the facts stated in the application are true and that the applicant [include]:

(A) is the recorded owner or has been transferred ownership of the vehicle ~~[a concise statement of facts about the abandonment]; or~~

(B) is a lienholder listed in Section 683.051(2)(A) that has complied with all applicable notification requirements ~~[a statement that the certificate of title is lost or destroyed]; [or]~~

SENATE VERSION (CS)

~~inspection and maintenance requirements contained in the Public Safety Commission's motor vehicle emissions inspection and maintenance program under Subchapter F, Chapter 548, or the state's air quality state implementation plan; and~~

~~[(iv) was authorized to be towed by a law enforcement agency; and]~~

(B) the lienholder has complied with all notification requirements of the applicable chapter to foreclose on the lien; and

(C) the lienholder determines:

(i) the motor vehicle's only residual value is as a source of parts or scrap metal; or

(ii) it is not economical to dispose of the vehicle at a public sale [the law enforcement agency approves the application].

Sec. 683.052. CONTENTS OF APPLICATION; APPLICATION FEE. (a) An application under Section 683.051 must be made in a manner prescribed by the department and include:

(1) ~~[contain]~~ the name and address of the applicant;

(2) ~~[state]~~ the year, make, model, body style, and vehicle identification number of the vehicle, if ascertainable~~[-and any other identifying feature of the vehicle]; [and]~~

(3) a certification by the applicant that the facts stated in the application are true and that the applicant [include]:

(A) is the recorded owner or has been transferred ownership of the vehicle if the application is submitted under Section 683.051(1)(A) ~~[a concise statement of facts about the abandonment]; or~~

(B) is a lienholder listed in Section 683.051(2)(A) that has complied with all applicable notification requirements if the application is submitted under Section 683.051(2) ~~[a statement~~

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(4) any proof required by the department to verify compliance with notification requirements described by Section 683.051(2)(B); and

(5) the physical location of the motor vehicle [~~(C)~~ a statement of the reasons for the defect in the owner's certificate of title for the vehicle].

(b) The department is not required to obtain an ownership document or any other verification of ownership in the name of an applicant under Section 683.051(1)(A) if the department is able to verify that the applicant is the recorded owner in the department's automated registration and titling system [~~An application under Section 683.051(2) must also include an affidavit containing a statement of the facts that make that subdivision applicable].~~

(c) [~~The applicant shall make an affidavit stating that:~~

[~~(1) the facts stated in the application are true; and~~

[~~(2) no material fact has been withheld.~~

[~~(d)~~] The application must be accompanied by a fee of ~~\$10~~ **\$2, unless the application is made by a unit of government.**

Fees collected under this subsection shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

Sec. 683.053. DEPARTMENT TO PROVIDE NOTICE. (a) If an application is submitted to sell, give away, or dispose of an abandoned motor vehicle under Section 683.051(1)(B), the department shall:

(1) send notice to any owners and lienholders of the abandoned motor vehicle identified in the department's automated registration and titling system; or

(2) if the department has no record of owners or lienholders for the abandoned motor vehicle, publish notice of abandonment on the department's website.

SENATE VERSION (CS)

~~that the certificate of title is lost or destroyed]; [~~or~~]~~

(4) any proof required by the department to verify compliance with notification requirements described by Section 683.051(2)(B); and

(5) the physical location of the motor vehicle [~~(C)~~ a statement of the reasons for the defect in the owner's certificate of title for the vehicle].

(b) The department is not required to obtain an ownership document or any other verification of ownership in the name of an applicant under Section 683.051(1)(A) if the department is able to verify that the applicant is the recorded owner in the department's automated registration and titling system [~~An application under Section 683.051(2) must also include an affidavit containing a statement of the facts that make that subdivision applicable].~~

(c) [~~The applicant shall make an affidavit stating that:~~

[~~(1) the facts stated in the application are true; and~~

[~~(2) no material fact has been withheld.~~

[~~(d)~~] The application must be accompanied by a fee of ~~\$10~~ **\$2, unless the application is made by a unit of government.** Fees collected under this subsection shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

Sec. 683.053. DEPARTMENT TO PROVIDE NOTICE. (a) If an application is submitted to sell, give away, or dispose of an abandoned motor vehicle under Section 683.051(1)(B), the department shall:

(1) send notice to any owners and lienholders of the abandoned motor vehicle identified in the department's automated registration and titling system; or

(2) if the department has no record of owners or lienholders for the abandoned motor vehicle, publish notice of abandonment on the department's website.

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(b) The notice required by Subsection (a) must include:
(1) the year, make, model, body style, and vehicle identification number of the motor vehicle;
(2) the physical location of the motor vehicle;
(3) a statement:
(A) that an application has been submitted to the department for authorization to dispose of the motor vehicle to a motor vehicle demolisher;
(B) informing the motor vehicle's owners or lienholders of the right to claim the motor vehicle not later than the 20th day after the date the notice is sent or published; and
(C) that failure to claim the motor vehicle and notify the department that the vehicle has been claimed before the 21st day after the date the notice is sent or published:
(i) waives a person's rights, title, and interest in the motor vehicle; and
(ii) is considered consent for the department to issue to the applicant a certificate of authority under Section 683.054 to dispose of the motor vehicle to a motor vehicle demolisher; and
(4) the date the notice was sent or published.
(c) The department is not required to send or publish notice for an application submitted for a motor vehicle described by Section 683.051(1)(A) or (2).
(d) Notice sent under Subsection (a)(1) must be sent by first class mail [Except as provided by Section 683.054(b), the department shall give notice as provided by Section 683.012 if it determines that an application under Section 683.051 is:
[(1) executed in proper form; and
[(2) shows that:
[(A) the abandoned motor vehicle is in the possession of the applicant or has been abandoned on the applicant's property;

SENATE VERSION (CS)

(b) The notice required by Subsection (a) must include:
(1) the year, make, model, body style, and vehicle identification number of the motor vehicle;
(2) the physical location of the motor vehicle;
(3) a statement:
(A) that an application has been submitted to the department for authorization to dispose of the motor vehicle to a motor vehicle demolisher;
(B) informing the motor vehicle's owners or lienholders of the right to claim the motor vehicle not later than the 20th day after the date the notice is sent or published; and
(C) that failure to claim the motor vehicle and notify the department that the vehicle has been claimed before the 21st day after the date the notice is sent or published:
(i) waives a person's rights, title, and interest in the motor vehicle; and
(ii) is considered consent for the department to issue to the applicant a certificate of authority under Section 683.054 to dispose of the motor vehicle to a motor vehicle demolisher; and
(4) the date the notice was sent or published.
(c) The department is not required to send or publish notice for an application submitted for a motor vehicle described by Section 683.051(1)(A) or (2).
(d) Notice sent under Subsection (a)(1) must be sent by first class mail [Except as provided by Section 683.054(b), the department shall give notice as provided by Section 683.012 if it determines that an application under Section 683.051 is:
[(1) executed in proper form; and
[(2) shows that:
[(A) the abandoned motor vehicle is in the possession of the applicant or has been abandoned on the applicant's property;

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

~~or~~

~~[(B) the vehicle is not an abandoned motor vehicle and the applicant appears to be the owner of the vehicle].~~

Sec. 683.054. CERTIFICATE OF AUTHORITY TO DISPOSE OF VEHICLE. (a) The department shall issue the applicant a certificate of authority to dispose of the vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if the application submitted under Section 683.051:

(1) is properly executed;

(2) is accompanied by the required fee under Section 683.052; and

(3) contains any proof of notification or ownership required by the department to enforce this subchapter ~~[notice under Section 683.053 was given and the vehicle was not claimed as provided by the notice].~~

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

~~[(e)]~~ A motor vehicle demolisher shall accept the certificate of authority in lieu of a certificate of title for the vehicle.

SECTION 3. Chapter 54, Property Code, is amended by adding Subchapter Z to read as follows:

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 54.901. DISPOSAL OF CERTAIN MOTOR VEHICLES SUBJECT TO LIEN. (a) Notwithstanding any other law, a person authorized to dispose of property for which a lien under this chapter is attached may dispose of the

SENATE VERSION (CS)

~~or~~

~~[(B) the vehicle is not an abandoned motor vehicle and the applicant appears to be the owner of the vehicle].~~

Sec. 683.054. CERTIFICATE OF AUTHORITY TO DISPOSE OF VEHICLE. (a) The department shall issue the applicant a certificate of authority to dispose of the vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if the application submitted under Section 683.051:

(1) is properly executed;

(2) is accompanied by the required fee under Section 683.052; and

(3) contains any proof of notification or ownership required by the department to enforce this subchapter ~~[notice under Section 683.053 was given and the vehicle was not claimed as provided by the notice].~~

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

~~[(e)]~~ A motor vehicle demolisher shall accept the certificate of authority in lieu of a certificate of title for the vehicle.

SECTION 3. Same as House version.

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

property in accordance with Subchapter D, Chapter 683, Transportation Code, if:

(1) the property is a motor vehicle; and

(2) the person determines that:

(A) the vehicle's only residual value is as a source of parts or scrap metal; or

(B) it is not economical to dispose of the vehicle at a public sale.

(b) If a person disposes of the property under Subsection (a), the person shall apply the fair market value of the motor vehicle to the charges due to the person.

SECTION 4. Section 59.0445, Property Code, is amended by amending Subsection (g) and adding Subsection (g-1) to read as follows:

(g) If the charges are not paid before the 31st day after the date the notice is mailed or published, as applicable, the lessor may:

(1) sell the motor vehicle, motorboat, vessel, or outboard motor at a public sale and apply the proceeds to the charges;

or

(2) if the property that is the subject of the notice is a motor vehicle, dispose of the motor vehicle in accordance with Subchapter D, Chapter 683, Transportation Code, if the lessor determines that:

(A) the vehicle's only residual value is as a source of parts or scrap metal; or

(B) it is not economical to dispose of the vehicle at a public sale.

(g-1) If the lessor disposes of the property under Subsection

(g)(2), the lessor shall apply the fair market value of the motor

SENATE VERSION (CS)

SECTION 4. Same as House version.

CONFERENCE

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

vehicle to the charges due to the lessor.

SECTION 5. The heading to Section 70.006, Property Code, is amended to read as follows:

Sec. 70.006. SALE OR DISPOSAL OF MOTOR VEHICLE, MOTORBOAT, VESSEL, OR OUTBOARD MOTOR.

SECTION 5. Same as House version.

SECTION 6. Section 70.006, Property Code, is amended by adding Subsections (f-1) and (f-2) to read as follows:

(f-1) If the charges are not paid before the 31st day after the date that a copy of the notice required by Subsection (a) is filed with the county tax assessor-collector's office and the property that is the subject of the notice is a motor vehicle, the lienholder may, in lieu of selling the vehicle under Subsection (f), dispose of the vehicle in accordance with Subchapter D, Chapter 683, Transportation Code, if the lienholder determines that:

(1) the vehicle's only residual value is as a source of parts or scrap metal; or

(2) it is not economical to dispose of the vehicle at a public sale.

(f-2) If the lienholder disposes of the property under Subsection (f-1), the lienholder shall apply the fair market value of the motor vehicle to the charges due to the lienholder.

SECTION 6. Same as House version.

SECTION 7. The changes in law made by this Act to Subchapter D, Chapter 683, Transportation Code, apply only to an application to dispose of a motor vehicle to a motor vehicle demolisher filed on or after the effective date of this

SECTION 7. Same as House version.

House Bill 3131
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

Act. An application to dispose of a motor vehicle to a motor vehicle demolisher filed before the effective date of this Act is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

SECTION 8. This Act takes effect September 1, 2017.

SENATE VERSION (CS)

SECTION 8. Same as House version.

CONFERENCE