

## **BILL ANALYSIS**

C.S.H.B. 3530  
By: Moody  
Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

There have been calls to provide lessors who take possession of a certain vehicles and related property for the enforcement of a self-service storage facility lien greater flexibility in disposing of that property and recouping the money lost by a lessee's failure to pay rent. C.S.H.B. 3530 seeks to provide that flexibility by authorizing the lessor to transfer possession of the property and have the property towed to a vehicle storage facility for disposition by the facility under certain circumstances.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3530 amends the Property Code to authorize a lessor who takes possession of an applicable motor vehicle, trailer, semitrailer, motorboat, vessel, or outboard motor for the enforcement of a self-service storage facility lien to transfer possession of the property and have the property towed to a vehicle storage facility for disposition by the facility if the following conditions are met:

- the transfer of possession and towing is authorized under a written rental agreement between the lessor and tenant;
- the lessor gives written notice of the lessor's claim to the tenant in a specified manner;
- the tenant fails to satisfy the claim on or before the 14th day after the date the notice of the lessor's claim is delivered; and
- the vehicle storage facility agrees in writing to accept possession of the property.

C.S.H.B. 3530 establishes that a lessor's lien on property towed to a vehicle storage facility under such authorization is extinguished when the property is towed from the self-service storage facility. The bill exempts a lessor from liability to a tenant for any damage to property that the lessor has towed that occurs during the tow or after the property is towed from the self-service storage facility. The bill's provisions regarding the towing of certain property to such a storage facility do not affect any right or remedy of the lessor at law or in equity.

C.S.H.B. 3530 requires a lessor's notice to a tenant of a claim under a self-service storage facility lien to contain a statement that the property may be towed to a vehicle storage facility and

disposed of by the facility if the tenant fails to satisfy the claim on or before the 14th day after the date the notice is delivered.

C.S.H.B. 3530 amends the Occupations Code to require a vehicle storage facility to accept property from a lessor who has transferred possession of the property from a self-service storage facility to the vehicle storage facility under the bill's provisions. The bill authorizes a vehicle storage facility that accepts such property to dispose of the property in a specified manner.

**EFFECTIVE DATE**

September 1, 2019.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3530 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes applicable semitrailers and outboard motors among the property to which the bill's provisions apply.