

By: Metcalf

H.B. No. 2975

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the sale of a motor vehicle, motorboat, vessel, or
3 outboard motor by a lienholder.

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

5 SECTION 1. Sections 70.006(a), (e), and (f), Property Code,
6 are amended to read as follows:

7 (a) A holder of a lien under this subchapter on a motor
8 vehicle subject to Chapter 501, Transportation Code, or on a
9 motorboat, vessel, or outboard motor for which a certificate of
10 title is required under Subchapter B, Chapter 31, Parks and
11 Wildlife Code, as amended, who retains possession of the motor
12 vehicle, motorboat, vessel, or outboard motor shall, not later than
13 the 30th day after the date on which the charges accrue, give
14 written notice to the owner and each holder of a lien recorded on
15 the certificate of title. Not later than the 30th day after the
16 date on which the charges accrue, a holder of a possessory lien on a
17 motor vehicle under Section 70.001, other than a person licensed as
18 a franchised dealer under Chapter 2301, Occupations Code, shall
19 file a copy of the notice and all information required by this
20 section with the county tax assessor-collector's office in the
21 county in which the repairs were made with an administrative fee of
22 \$25 payable to the county tax assessor-collector. If the motor
23 vehicle, motorboat, vessel, or outboard motor is registered outside
24 this state, the holder of a lien under this subchapter who retains

1 possession during that period shall give notice to the last known
2 registered owner and each lienholder of record.

3 (e) After notice is given under this section to the owner of
4 or the holder of a lien on the motor vehicle, motorboat, vessel, or
5 outboard motor, the owner or holder of the lien may obtain
6 possession of the motor vehicle, motorboat, vessel, or outboard
7 motor by paying all charges due to the holder of a lien under this
8 subchapter before the 31st day after the date:

9 (1) a copy of the notice relating to the motor vehicle
10 is filed with the county tax assessor-collector's office; or

11 (2) a copy of the notice relating to the motorboat,
12 vessel, or outboard motor is mailed or published, as applicable.

13 (f) If the charges are not paid within the applicable period
14 prescribed by Subsection (e) [~~before the 31st day after the date~~
15 ~~that a copy of the notice required by Subsection (a) is filed with~~
16 ~~the county tax assessor-collector's office]~~, the lienholder may
17 sell the motor vehicle, motorboat, vessel, or outboard motor at a
18 public sale and apply the proceeds to the charges. The lienholder
19 shall pay excess proceeds to the person entitled to them. The
20 public sale may not take place before the 31st day after the date:

21 (1) a copy of the notice relating to the motor vehicle
22 is filed with the county tax assessor-collector's office; or

23 (2) a copy of the notice relating to the motorboat,
24 vessel, or outboard motor is mailed or published, as applicable.

25 SECTION 2. This Act takes effect September 1, 2019.