

BILL ANALYSIS

Senate Research Center
76R5045 WP-F

H.B. 1376
By: Bosse (Carona)
Economic Development
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Engrossed

DIGEST

Currently, the law does not address owner and lienholder notification for out-of-state vehicles or vehicles with no registration record that have been towed to a vehicle storage facility (VSF). For out-of-state notifications the operator of a VSF must send notice in a timely manner in order to collect a daily storage fee. Since this information must be received from another state, and there is no uniform requirement to share information across state lines, some states may refuse to give the operator of a VSF any information. H.B. 1376 would provide notice to an owner of a vehicle towed to a vehicle storage facility.

PURPOSE

As proposed, H.B. 1376 requires notice to be provided to an owner of a vehicle towed to a vehicle storage facility.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 13, Article 6687-9a, V.T.C.S. (Vehicle Storage Facility Act), to require an operator of a vehicle storage facility who receives a vehicle that is registered in this state and has been towed to the facility for storage, to send a written notice, not later than the fifth day but not before 24 hours after the date the operator receives the vehicle, to the registered owner and the primary lienholder of the vehicle. Requires the operator of a vehicle storage facility who receives a vehicle that is registered outside this state or the United States to send a written notice to the vehicle's last registered owner and all recorded lienholders not later than the 14th day but not before 24 hours after the date the operator receives the vehicle. Provides that it is a defense to an action initiated by the Texas Department of Transportation (department) for a violation of this section that the facility has attempted in writing to obtain information from the governmental entity in which the vehicle is registered but was unsuccessful. Sets forth the conditions under which notice by publication in a newspaper of general circulation in the area from where the vehicle was towed may be used. Provides that notice by publication under Subsection (e) of this section is not required if a notice given under Subsection (a) or (b) of this section is returned because of certain reasons. Requires notice by publication to contain all of the information required by this section. Authorizes a publication to contain a list of more than one vehicle, watercraft, or outboard motor. Provides that notice under Subsection (a) or (b) of this section is considered to have been given on the date indicated on the postmark and is considered to be timely filed if the postmark shows that it was mailed within the period provided by Subsection (a) or (b) of this section, as applicable, or if publication was made as authorized by Subsection (e) of this section. Authorizes the operator of a storage facility to charge the owner of the vehicle a reasonable fee for giving the notice required by this section. Requires an operator of a vehicle storage facility to send a second notice to the registered owner and primary lienholder, if a vehicle for which notice was given, rather than sent, under this section, rather than Subsection (a) of this section, has not, before the 31st day, rather than 61st day, after the date of notice was mailed or published, been claimed by a person permitted to claim the vehicle. Sets forth the required information to be included in a second notice, including the information required under Subsection (d), rather than Subsection (b), of this section. Deletes text authorizing an operator of the storage facility to charge the owner of the vehicle a reasonable fee for sending the notice required by this subsection. Deletes text providing that a notice is considered to be timely filed if the postmark shows that it was mailed within the five day period provided by Subsection (a) of this section. Makes conforming changes.

SECTION 2. Amends Section 14B(a), Article 6687-9a, V.T.C.S., to authorize an operator of a vehicle

storage facility to dispose of a vehicle for which notice was given, rather than sent, under Section (j) of this article, rather than Section (d) of this article.

SECTION 3. Amends Section 14b(d), Article 6687-9a, V.T.C.S. make conforming changes.

SECTION 4. Effective date: September 1, 1999.
Makes application of this Act prospective.

SECTION 5. Emergency clause.