

BILL ANALYSIS

Senate Research Center

H.B. 2176
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Economic Development
5/2/1999
Engrossed

DIGEST

Currently, under Texas law, there are two different deadlines for release by the holder of a lien against a motor vehicle when the lien is paid off; one states not more than 10 days under the Finance Code, and the other states not more than 21 days under the Transportation Code. This bill would resolve the conflict of law by amending the Transportation Code to refer to the Finance Code, thus establishing the 10-day time limit as the standard.

PURPOSE

As proposed, H.B. 2176 resolves the conflict of law regarding the deadline for the release of a lien by a holder of a lien against a motor vehicle by amending the Transportation Code to refer to the Finance Code, thus establishing the 10-day time limit as the standard.

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 501.115(a), Transportation Code, to require the lienholder, when a debt or lien has been satisfied, to execute and deliver a discharge of the lien, within a reasonable time not to exceed the maximum time allowed in Section 348.408, Finance Code, rather than 21 days, from the receipt of the final payment.

SECTION 2. Emergency clause.
Effective date: upon passage.