

BILL ANALYSIS

Senate Research Center
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S.B. 652
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Economic Development
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As Filed

DIGEST

Currently, the Vehicle Storage Facility Act requires a vehicle storage facility operator who receives a vehicle that has been towed to the facility for storage to send a written notice to the registered owner and the primary lienholder of the vehicle in a timely manner in order to continue charging a daily storage fee. Complying with the timely notice requirement is difficult when the stored vehicle is not registered in Texas, because information must be attained from other states. Some states have refused to furnish any information to vehicle storage facilities. S.B. 652 would require vehicle storage facility operators to provide notice to an owner of a vehicle which has been towed to a vehicle storage facility, including notice by publication if attempts to contact a vehicle owner by mail were unsuccessful.

PURPOSE

As proposed, S.B. 652 requires notice to be provided to an owner of a vehicle which is 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., as follows:

Sec. 13. NOTIFICATION OF OWNER. (a) Requires the 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, not later than the fifth day but not before 24 hours after the date the operator receives the vehicle, to send a written notice to the registered owner and the primary lienholder of the vehicle.

(b) 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.

(c) 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.

(d) Redesignated from existing Subsection (b).

(e) Authorizes notice by publication in a newspaper with general circulation in the area from where the vehicle was towed to be used if the identity of the last registered owner cannot be determined; the registration does not contain an address for the last registered owner; or it is impossible to determine with reasonable certainty the identity and address of each lienholder.

(f) 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 it was unclaimed or refused, or the addressee moved without leaving a forwarding address.

(g) Requires notice by publication to contain all of the information required by this section. Authorizes the publication to contain a list of more than one vehicle, watercraft, or outboard

motor.

(h) 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, rather than a notice, is considered to be timely filed if the postmark shows that it was mailed with the period provided by Subsection (a) or (b) of this section, as applicable, or if publication was made as authorized by Subsection (e), rather than five day, of this section.

(i) Authorizes the owner of the storage facility to charge the owner of the vehicle a reasonable fee for giving the notice required under this section.

(j) Requires the operator of the 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, has not, before the 31st, rather than 61st, day after the date the notice was mailed or published, been claimed by a person permitted to claim the vehicle or been taken into custody by a law enforcement agency under Chapter 683, Transportation Code. Makes conforming changes.

SECTION 2. Amends Section 14B(a), Article 6687-9a, V.T.C.S., to authorize the operator of a vehicle for which notice was given under Section 13(j), rather than 13(d), of this article as provided by this section if, before the 30th day after the date the notice was mailed, the vehicle has not been claimed by a person entitled to claim the vehicle or taken into custody by a law enforcement agency under Chapter 683, Transportation Code.

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

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

SECTION 5. Emergency clause.