

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1036
By: Williams
Transportation & Homeland Security
4/28/2011
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a holder of a lien on a motor vehicle subject to Chapter 501 (Certificate of Title Act), Transportation Code, or on a motorboat, vessel, or outboard motor for which a certificate of title is required under Subchapter B (Identification of Vessels; Required Numbering), Chapter 31 (Water Safety), Parks and Wildlife Code, who stores a vehicle in a storage facility and fails to pay within the 30th day after the date on which the charges have accrued, is required to be given a written notice from the storage facility. A notice is to be sent to the owner and each holder of a lien recorded on the certificate of title.

Fraud occurs when a storage facility or someone claiming to be a storage facility who has written a notice sends out the notice, either with nothing in it or forges the certified slips entirely, then sells the stored vehicle at auction.

C.S.S.B. 1036 amends current law relating to notice required in connection with possessory liens on motor vehicles.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 70.006(a) and (h), Property Code, as follows:

- (a) Requires a holder of a possessory lien on a motor vehicle under Section 70.001 (Worker's Lien), other than a person licensed as a franchised dealer under Chapter 2301 (Sale or Lease of Motor Vehicles), Occupations Code, or the holder of a garageman's lien under Section 70.003(c) (relating to a lien on certain items by a garageman), including a vehicle storage facility licensed under Chapter 2303 (Vehicle Storage Facilities), Occupations Code, to file a copy of the notice and all information required by this section with the county tax assessor-collector's office in the county in which the repairs were made or in which the garage or licensed vehicle storage facility is located, as appropriate, with an administrative fee of \$25 payable to the county tax assessor-collector.
- (h) Requires the county tax assessor-collector, not later than the 15th business day, rather than the 10th day, after the date the county assessor-collector receives notice under this section, to provide a copy of the notice to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle. Provides that notice under this section is required regardless of the date on which the charges on which the possessory lien is based accrued.

SECTION 2. Makes application of the change in law made by this Act to a notice received by the county tax assessor-collector on or after the effective date of this Act, prospective.

SECTION 3. Effective date: September 1, 2011.