

BILL ANALYSIS

Senate Research Center

H.B. 2690
By: Elkins (Ellis)
Transportation
5/15/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Many municipalities currently prohibit by ordinance the illegal sale of vehicles by unlicensed persons, known as curbstoning. Interested parties assert that many such ordinances are individually crafted with the assistance of state agencies and that there are currently no effective provisions that may be uniformly enforced across the state. H.B. 2690 seeks to provide a consistent regulatory environment across the state regarding the sale of motor vehicles by certain sellers.

H.B. 2690 authorizes a peace officer to cause a vehicle that is being offered for sale by a person who is engaged in business as a motor vehicle dealer without a dealer general distinguishing number to be towed from the location where the vehicle is being offered for sale and to be stored at a vehicle storage facility under certain conditions.

H.B. 2690 amends current law relating to the sale of a vehicle by an unlicensed seller and creates an offense.

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 Subchapter D, Chapter 503, Transportation Code, by adding Section 503.096, as follows:

Sec. 503.096. TOWING OF VEHICLES. (a) Authorizes a peace officer, if a person is engaged in business as a dealer in violation of Section 503.021 (Dealer General Distinguishing Number), to cause a vehicle that is being offered for sale by the person to be towed from the location where the vehicle is being offered for sale and stored at a vehicle storage facility, as defined by Section 2308.002 (Definitions), Occupations Code.

(b) Authorizes a peace officer to cause the vehicle to be towed under Subsection (a) only if the peace officer has a probable cause that the vehicle is being offered for sale by a person engaged in business as a dealer in violation of Section 503.021, the peace officer has complied with the notice requirements under Subsection (c), and the notice under Subsection (c) was attached to the vehicle not less than two hours before the vehicle is caused to be towed.

(c) Requires a peace officer, an appropriate local government employee, or an investigator employed by the Texas Department of Motor Vehicles (TxDMV), before a vehicle may be towed under Subsection (a), to attach a conspicuous notice to the vehicle's front windshield or, if the vehicle has no front windshield, to a conspicuous part of the vehicle stating:

(1) the make and model of the vehicle and the license plate number and vehicle identification number of the vehicle, if any;

- (2) the date and time that the notice was affixed to the vehicle;
- (3) that the vehicle is being offered for sale in violation of Section 503.021;
- (4) that the vehicle and any property on or in the vehicle may be towed and stored at the expense of the owner of the vehicle not less than two hours after the notice is attached to the vehicle if the vehicle remains parked at the location; and
- (5) the name, address, and telephone number of the vehicle storage facility where the vehicle will be towed.

(d) Requires the peace officer who caused the vehicle to be towed, if a vehicle is towed under Subsection (a), to, not later than 48 hours after the vehicle was towed, mail a written notice to the last known address of the vehicle's registered owner and lienholders, as shown by TxDMV's records. Requires the notice, if it is determined that the owner of the vehicle is a resident of another jurisdiction, to be sent to the agency responsible for vehicle titles and registration in that jurisdiction. Requires that written notice under this subsection include certain information.

(e) Authorizes a peace officer, once notice has been attached to a vehicle under Subsection (c), to prevent the vehicle from being removed by a person unless the person provides evidence of ownership in the person's name or written authorization from the owner of the vehicle for the person to offer the vehicle for sale in a manner other than by consignment.

SECTION 2. Effective date: September 1, 2013.