

BILL ANALYSIS

Senate Research Center
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H.B. 1466
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Agriculture, Water & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 1466 amends the Parks and Wildlife Code to authorize the Texas Parks and Wildlife Department (TPWD), as an alternative to the requirement to mail an application for the renewal of each certificate of number of a certain watercraft vessel to the owner of the vessel, to send the application electronically if the owner has agreed to receive TPWD communications electronically. The bill prohibits TPWD, an authorized agent, or a county tax assessor-collector from issuing a renewal certificate of number unless the sales and use tax due on the vessel is paid. The bill establishes a deadline by which the recorded owner of a vessel must notify TPWD of a change in ownership interest of a vessel numbered in Texas of not later than the 20th day after the date of, as applicable, the transfer by sale, donation, gift, or other means of all or any part of the owner's interest in the vessel; the destruction or disposal of the vessel; or the permanent removal of the vessel from Texas to another state or country. The bill removes the abandonment of the vessel from the circumstances under which that notification is required. The bill removes the requirement that the notification be accompanied by a surrender of the certificate of number and instead requires the notification to be on a form prescribed by TPWD that includes the name and address of the new owner, as applicable, and the vessel's certificate of number. The bill expands the conditions under which TPWD is required to cancel a vessel's certificate of number and enter the cancellation in its records to include the vessel being disposed of or permanently moved to another state or country and removes the abandonment of the vessel from those conditions. The bill establishes a deadline by which the new owner of a vessel must submit an application to TPWD with certain information regarding the owner and vessel and a certain fee not later than the 20th day after the date the ownership was transferred.

H.B. 1466 requires the recorded owner of a vessel or outboard motor to notify TPWD not later than the 20th day after the date of the transfer by sale, donation, gift, or other means of all or any part of the owner's interest in the vessel or outboard motor or of the permanent removal of the vessel or outboard motor from Texas to another state or country. The bill requires notification of such a transfer of interest or move to another state or country to be on a form prescribed by TPWD that includes the name and address of the new owner and, as applicable, the vessel's certificate of number and the serial number of the outboard motor. The bill requires the recorded owner, if a vessel or outboard motor for which TPWD has issued a certificate of title is destroyed or disposed of in another manner, to notify TPWD not later than the 20th day after the date of the destruction or disposal and to surrender to TPWD the certificate of title. The bill requires TPWD to cancel the title and enter the cancellation in TPWD's records on receipt of the notice of transfer, move, destruction, or disposal and subjects a recorded owner who fails to file such a notification or a notification of change in ownership interest of a vessel in accordance with the Water Safety Act, as amended by the bill, to penalties under the act and to certain removal costs and penalties under the Oil Spill Prevention and Response Act of 1991. The bill authorizes TPWD to begin enforcement of the 20-day period for an owner to notify TPWD of a change in ownership under the bill's provisions only on or after January 1, 2016.

H.B. 1466 amends current law relating to Parks and Wildlife Department procedures for the transfer of ownership of boats or outboard motors, provides penalties, and creates a criminal 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 Section 31.025, Parks and Wildlife Code, as follows:

Sec. 31.025. RENEWAL OF CERTIFICATES OF NUMBER. (a) Requires that an application for the renewal of each certificate of number be prepared by the Texas Parks and Wildlife Department (TPWD) and mailed to the owner of the vessel, or sent electronically to the owner if the owner has agreed to receive TPWD communications electronically, during the period of the last 90 days before the expiration date of the certificate. Requires that the same number be issued on renewal.

(b) Provides that the completed application for renewal may be returned to TPWD, to any county tax assessor-collector, or if permitted by TPWD, to an agent of TPWD.

(c) Requires that a completed application not received, rather than applications not received, during the 90-day period be treated in the same manner as an original application, rather than applications.

(d) Prohibits TPWD, an authorized agent, or a county tax assessor-collector from issuing a renewal certificate of number unless the tax due on the vessel under Chapter 160 (Taxes on Sales and Use of Boats and Boat Motors), Tax Code, is paid.

SECTION 2. Amends Section 31.037, Parks and Wildlife Code, as follows:

Sec. 31.037. CHANGE IN OWNERSHIP INTEREST; NOTICE TO DEPARTMENT.

(a) Requires the recorded owner of a vessel numbered in this state to notify TPWD not later than the 20th day after the date:

(1) of the transfer by sale, donation, gift, or other means of all or any part of the owner's interest in the vessel, other than the creation of a security interest in the vessel, rather than within a reasonable time of the transfer of all or any part of his interest in the vessel, other than the creation of a security interest;

(2) of the destruction or disposal of the vessel, rather than abandonment of the vessel; or

(3) of the permanent removal of the vessel from this state to another state or country.

(a-1) Creates this subsection from existing text. Requires that the notification under Subsection (a) be on a form prescribed by TPWD that includes:

(1) the name and address of the new owner, as applicable; and

(2) the vessel's certificate of number.

Deletes existing text requiring that the notice be accompanied by a surrender of the certificate of number. Makes conforming changes.

(b) Requires TPWD to cancel the certificate of number and enter the cancellation in its records if the vessel is destroyed, disposed of, or permanently moved to another state or country, rather than if the vessel is destroyed or abandoned.

(c) Requires the new owner of a vessel to, not later than the 20th day after the date ownership was transferred, submit an application to TPWD with:

- (1) evidence of ownership;
- (2) the new owner's name and address;
- (3) the number of the vessel; and
- (4) a fee of \$2 or an amount set by the Texas Parks and Wildlife Commission (commission), whichever amount is more.

Deletes existing text requiring the purchaser of a vessel to present evidence of his ownership to TPWD within a reasonable time along with his name, address, and the number of the vessel and to at the same time pay to TPWD a fee of \$2 or an amount set by the commission, whichever amount is more.

(d) Creates this subsection from existing text. Requires TPWD, on receipt of the new owner's application and fee, to transfer the certificate of number issued for the vessel to the new owner. Provides that, unless the application is made and the fee is paid on time, rather than fee paid within a reasonable time, the vessel is without a certificate of number, and it is unlawful for any person to operate the vessel until the certificate is issued.

SECTION 3. Amends Section 31.045, Parks and Wildlife Code, by adding Subsections (e), (f), (g), (h), and (i), as follows:

(e) Requires the recorded owner of a vessel or outboard motor to notify TPWD not later than the 20th day after the date:

- (1) of the transfer by sale, donation, gift, or other means of all or any part of the owner's interest in the vessel or outboard motor; or
- (2) of the permanent removal of the vessel or outboard motor from this state to another state or country.

(f) Requires that notification of a transfer of interest or move to another state or country under Subsection (e) be on a form prescribed by TPWD that includes the name and address of the new owner and, as applicable:

- (1) the vessel's certificate of number; and
- (2) the serial number of the outboard motor.

(g) Requires the recorded owner, if a vessel or outboard motor for which TPWD has issued a certificate of title is destroyed or disposed of in a manner not described by Subsection (e), to notify TPWD not later than the 20th day after the date of the destruction or disposal and to surrender to TPWD the certificate of title.

(h) Requires TPWD, on receipt of notice under Subsection (e) or (g), to cancel the title and enter the cancellation in TPWD's records.

(i) Provides that a recorded owner who fails to file notification in accordance with Section 31.037 or this section:

- (1) is subject to the penalties under Section 31.127 (Penalties); and
- (2) is subject to the removal costs under Section 40.108 (Derelict Vessels and Structures), Natural Resources Code, and penalties under Chapter 40 (Oil Spill

Prevention and Response Act of 1991), Natural Resources Code, as the person considered responsible for an abandoned vessel or outboard motor.

SECTION 4. Authorizes TPWD to begin enforcement of the 20-day period for an owner to notify TPWD of a change in ownership under Sections 31.037 and 31.045, Parks and Wildlife Code, as amended by this Act, only on or after January 1, 2016.

SECTION 5. Effective date: September 1, 2015.