

BILL ANALYSIS

Senate Research Center

H.B. 1247
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 1247 seeks to address this issue by requiring a vehicle storage facility operator to send the notice to an address obtained from the applicable governmental or private entity that has access to the relevant vehicle information and by providing for the circumstances under which the operator may provide notice by publication.

H.B. 1247 amends the Occupations Code to require an operator of a vehicle storage facility who receives a vehicle that is registered outside of Texas to send the written notice required to be sent to the registered owner and each recorded lienholder of the vehicle to an address obtained, by mail or electronically, either directly from the governmental entity responsible for maintaining the motor vehicle title and registration database for the state in which the vehicle is registered or from a private entity authorized by that governmental entity to obtain title, registration, and lienholder information using a single vehicle identification number inquiry submitted through a secure access portal to the governmental entity's motor vehicle records. The bill requires an address obtained electronically from a governmental entity to be obtained through the governmental entity's secure access portal.

H.B. 1247 replaces as a condition under which notice to the registered owner and the primary lienholder of a vehicle towed to a vehicle storage facility may be provided by publication in a newspaper of general circulation in the county in which the vehicle is stored the condition that the operator of the storage facility submit to the governmental entity with which the vehicle is registered a written request for information relating to the identity of the registered owner and any lienholder of record with a condition that the operator submit to the governmental entity responsible for maintaining the motor vehicle title and registration database for the state in which the vehicle is registered a request for that information that is either written or electronic. The bill gives the operator of the storage facility the option of sending such a written request by electronic certified mail as an alternative to being sent by certified mail, return receipt requested.

H.B. 1247 authorizes an operator of a vehicle storage facility who receives a motor vehicle and does not know the state in which the vehicle is registered to give notice by publication only if the operator obtains, using the motor vehicle's vehicle identification number, by mail or electronically, a report from the National Motor Vehicle Title Information System operated by the United States Department of Justice, or a successor system, showing the state in which the motor vehicle is titled and the operator either is unable to determine from the report the governmental entity that is responsible for maintaining the registration information for the motor vehicle or attempts to and is unable to obtain, from the governmental entity indicated in the report, the identity and address of any registered owner and any lienholder.

H.B. 1247 amends current law relating to notice provided to vehicle owners and lienholders by operators of vehicle storage facilities.

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 2303.151, Occupations Code, by adding Subsections (b-1) and (b-2), as follows:

(b-1) Requires the operator of a vehicle storage facility to send a written notice required under Subsection (b) (relating to requiring the operator of a vehicle storage facility who receives a vehicle registered outside this state to send a written notice to certain persons by a certain date) to an address obtained, by mail or electronically, either:

(1) directly from the government entity responsible for maintaining the motor vehicle title and registration database for the state in which the vehicle is registered; or

(2) from a private entity authorized by that governmental entity to obtain title, registration, and lienholder information using a single vehicle identification number (VIN) inquiry submitted through a secure access portal to the governmental entity's motor vehicle records.

(b-2) Requires that an address obtained electronically from a governmental entity under Subsection (b-1)(1) be obtained through the governmental entity's secure access portal.

SECTION 2. Amends Section 2303.152, Occupations Code, by amending Subsections (a) and (b) and adding Subsection (b-1), as follows:

(a) Authorizes notice to the registered owner and the primary lienholder of a vehicle towed to a vehicle storage facility to be provided by publication in a newspaper of general circulation in the county in which the vehicle is stored if:

(1) makes no changes to this subdivision;

(2) the operator of the storage facility submits to the governmental entity responsible for maintaining the motor vehicle title and registration database for the state in which the vehicle is registered a request for information, rather than the governmental entity with which the vehicle is registered a written request for information, relating to the identity of the registered owner and any lienholder of record that is either:

(A) written; or

(B) electronic, through the governmental entity's secure access portal;

(3) through (5) makes no changes to these subdivisions.

(b) Requires that a written request under Subsection (a)(2)(A), rather than requires that the written request, be sent by certified mail, return receipt requested, or electronic certified mail.

(b-1) Requires that an electronic request under Subsection (a)(2)(B) be submitted either directly to the governmental entity through the governmental entity's secure access portal or to a private entity authorized by the governmental entity to obtain title, registration, and lienholder information using a single VIN inquiry submitted through a secure access portal to the governmental entity's motor vehicle records.

SECTION 3. Amends Subchapter D, Chapter 2303, Occupations Code, by adding Section 2303.1521, as follows:

Sec. 2303.1521. CERTAIN VEHICLES WITH STATE OF REGISTRATION UNKNOWN. (a) Authorizes an operator of a vehicle storage facility who receives a motor vehicle as defined by Section 501.002(17)(A) (relating to defining "motor vehicle"

as any motor driven or propelled vehicle required to be registered under the laws of this state), Transportation Code, and does not know the state in which the vehicle is registered to give notice by publication under Section 2303.152 (Notice by Publication) only if the operator:

(1) obtains, using the motor vehicle's VIN, by mail or electronically, a report from the National Motor Vehicle Title Information System operated by the United States Department of Justice, or a successor system, showing the state in which the motor vehicle is titled; and

(2) either is unable to determine from the report the governmental entity that is responsible for maintaining the registration information for the motor vehicle or attempts to and is unable to obtain, from the governmental entity indicated in the report, the identity and address of any registered owner and any lienholder.

(b) Requires an operator who attempts to obtain owner and lienholder information under Subsection (a)(2) to attempt to obtain the information, by mail or electronically, either:

(1) directly from the governmental entity; or

(2) from a certain authorized private entity.

(c) Requires that an address obtained electronically from a governmental entity under Subsection (b)(1) be obtained through the governmental entity's secure access portal.

SECTION 4. Effective date: upon passage or September 1, 2017.