

## **BILL ANALYSIS**

H.B. 3901  
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Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

As interested parties point out, when an aircraft owner consistently fails to meet the owner's contractual payment obligations, a lender may choose to settle the default status of the loan by repossessing the aircraft. Although the repossession process of an aircraft often is a peaceful one, the parties note cases in which aircraft owners have become hostile and cases in which repossession agents, in an attempt to avoid confrontation and to speedily complete the process, go as far as jumping fences and hotwiring aircrafts in order to fly away, sometimes putting not only the agent but the public at risk by short-cutting essential pre-flight safety procedures. In order to provide for the safety of the repossession agent and the public, H.B. 3901 seeks to amend the applicable law to provide for the safe transfer of these aircraft.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 3901 amends the Property Code to establish that a writ of assistance for the repossession of an aircraft authorizes a peace officer to assist and protect a repossession agent in gaining possession of the aircraft while the agent secures the aircraft on site or prepares the aircraft, which may include a mechanical inspection, for removal from the site by flight or otherwise to another location. The bill specifies that such a writ of assistance is valid for 30 days and authorizes a justice court to grant unlimited extensions of such a writ.

H.B. 3901 authorizes a repossession agent to file a petition in a justice court for a writ of assistance for the repossession of an aircraft. The bill entitles the agent to the writ if the agent establishes that the aircraft is subject to the proposed repossession and the agent is authorized to engage in the repossession. The bill requires the petition for the writ to include a copy of the security agreement relating to the aircraft, the notice of default under the security agreement sent by the lender to the borrower, the instrument in which a power of attorney for the repossession is granted to the agent by the lender, and the results of a title search of the Federal Aviation Administration's records for the aircraft.

### **EFFECTIVE DATE**

September 1, 2015.