

## **BILL ANALYSIS**

C.S.H.B. 2462  
By: Pickett  
Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties call for changes to the process through which certain motor vehicles are titled in Texas to align with common practices. C.S.H.B. 2462 seeks to address this issue by revising provisions relating to motor vehicle titles and vehicle identification numbers.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill expressly does one or more of the following: creates a criminal offense, increases the punishment for an existing criminal offense or category of offenses, or changes the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Motor Vehicles in SECTION 8 of this bill.

### **ANALYSIS**

C.S.H.B. 2462 repeals Transportation Code provisions relating to the assignment of a vehicle identification number by the Texas Department of Motor Vehicles (TxDMV) for a travel trailer, a trailer or semitrailer, a frame, or an item of equipment and amends the Transportation Code to instead require a motor vehicle, trailer, or semitrailer to have an identification number inspection if: TxDMV does not have a motor vehicle record for the motor vehicle, trailer, or semitrailer in the TxDMV registration and title system and the owner of the motor vehicle, trailer, or semitrailer is filing a bond with TxDMV as an alternative to a hearing for the refusal, rescission, cancellation, suspension, or revocation of a vehicle title; the motor vehicle, trailer, or semitrailer was last titled or registered outside of the United States and imported into the United States; or the owner or person claiming ownership requires an assigned or reassigned identification number. The bill exempts an active duty member of a branch of the U.S. armed forces returning to Texas with acceptable proof of the active duty status, or an immediate family member of such an active duty member, from the identification number inspection requirement for a vehicle, trailer, or semitrailer last titled or registered outside of the United States and imported into the United States.

C.S.H.B. 2462 requires such an identification number inspection to verify, as applicable, the identity of a motor vehicle; a trailer or semitrailer; a frame, body, or motor of a motor vehicle; or an item of equipment not required to be titled but that may be registered or issued licensed plates. The bill prohibits such an inspection from relying solely on the public identification number to verify the identity and sets out the qualifications of a person authorized to perform the inspection. The bill requires TxDMV to prescribe a form on which the identification number inspection is to be recorded and requires TxDMV to provide the form only to a person authorized to perform the inspection. The bill authorizes TxDMV or another entity that provides an identification number inspection to impose a fee of not more than \$40 for the inspection. The bill requires the county or municipal treasurer of a county or municipal entity that provides such an

inspection to credit the fee to the general fund of the county or municipality, as applicable, to defray the entity's cost associated with the inspection. The bill requires the fee, if TxDMV provides an identification number inspection, to be deposited to the credit of the TxDMV fund. The bill prohibits TxDMV from imposing a fee for an inspection requested by TxDMV and requires TxDMV to include a notification of the waiver to the owner at the time TxDMV requests the identification number inspection. The bill authorizes TxDMV by rule to establish a process for verifying the identity of an item requiring an identification number inspection as an alternative to the inspection and provides for the contents of those rules.

C.S.H.B. 2462 revises certain provisions relating to the assignment of an identification number by requiring TxDMV to assign an identification number to certain vehicles or parts of a vehicle if the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated or a permanent identification number was never assigned and by requiring TxDMV to reassign an original manufacturer's identification number only if the person who conducts the identification number inspection determines that the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated. The bill requires an application to be accompanied by evidence of ownership in the name of, or properly assigned to, the applicant. The bill requires a TxDMV representative, if TxDMV reassigns a manufacturer's identification number, to affix the number in a manner and location designated by TxDMV. The bill requires the owner or the owner's representative, on affixing an assigned identification number or witnessing the affixing of a reassigned identification number, to certify on a form prescribed by TxDMV that the identification number has been affixed in the manner and location designated by TxDMV and to submit the form in a manner prescribed by TxDMV. The bill restricts to TxDMV the authorization to issue an identification number to a motor vehicle, trailer, semitrailer, motor, frame, or body of a motor vehicle, or to an item of equipment not required to be titled but that may be registered or issued license plates. The bill prohibits TxDMV from recognizing an identification number assigned by any other agency or political subdivision of the state. The bill includes as an alternative prerequisite condition under which a motor vehicle that was last registered or titled in another state or country may be titled in Texas that an owner has obtained an identification number inspection in accordance with TxDMV rule. The bill removes a provision related to an inspection by the auto theft unit of a county or municipal law enforcement agency.

C.S.H.B. 2462 restricts application of the exemption from the Certificate of Title Act for a trailer or semitrailer used only for the transportation of farm products if the products are not transported for hire to a farm trailer or farm semitrailer with a gross vehicle weight of not more than 34,000 pounds. The bill revises the required contents of a motor vehicle title issued by TxDMV and revises the manner in which an application for a title is submitted by an owner of a motor vehicle to a county assessor-collector of a county other than the county in which the owner resides. The bill establishes that if the county assessor-collector's office of the county in which the owner resides is closed, or may be closed for a protracted period of time defined by TxDMV, the application is submitted to the county assessor-collector of a county who is willing to accept the application. The bill removes provisions establishing procedures for applying for a title if the county in which the owner resides is declared a disaster area. The bill changes the dimensions of a travel trailer for purposes of the Certificate of Title Act from less than eight feet in width or 40 feet in length to less than eight feet six inches in width or 45 feet in length. The bill changes the dimensions of a house trailer for purposes of the rules of the road from less than 40 feet in length to less than 45 feet in length.

C.S.H.B. 2462 removes the requirement that TxDMV adopt rules to implement and administer statutory provisions relating to the title for a farm semitrailer. The bill makes statutory provisions relating to the title for a farm semitrailer applicable to a farm trailer and prohibits TxDMV from issuing a title for a vehicle with a weight of more than 34,000 pounds. The bill removes the authorization for TxDMV to issue a title to a farm semitrailer with a gross weight of more than 4,000 pounds that is eligible for registration under statutory provisions relating to certain farm vehicles and drilling and construction equipment. The bill requires a subsequent purchaser of a farm trailer or farm semitrailer previously titled to obtain a title for such a vehicle from TxDMV.

The bill makes a semitrailer that has a gross vehicle weight of 4,000 pounds or less eligible for issuance of a title and requires a subsequent purchaser of a trailer or semitrailer previously titled to obtain a title for such a vehicle from TxDMV.

C.S.H.B. 2462 revises the process by which an odometer disclosure statement is disclosed to comply with federal law and requires TxDMV to provide for use consistent with related federal regulations a secure power of attorney form and a secure reassignment form for licensed motor vehicle dealers. The bill revises the process by which TxDMV is required to issue a title for an out-of-state salvage or rebuilt salvage vehicle and makes statutory provisions governing nonrepairable and salvage motor vehicles applicable to a motor vehicle that a salvage vehicle dealer has reported to TxDMV; for which an owner has surrendered evidence of ownership for the purpose of dismantling, scrapping, or destroying the motor vehicle; or that is sold for export only. The bill removes the prohibition against operating a salvage or nonrepairable vehicle on a public highway and clarifies that the record of title for ownership of such a vehicle required as a condition for the vehicle to be transferred must be issued by another state or jurisdiction for the vehicle in the name of the owner. The bill revises and reenacts certain Transportation Code provisions relating to the application for a nonrepairable vehicle title or salvage vehicle title, salvage motor vehicles or nonrepairable motor vehicles for insurance companies or self-insured persons, and owner-retained vehicles.

C.S.H.B. 2462 creates a third degree felony offense for a person who knowingly provides false or incorrect information or without legal authority signs the name of another person on an application for a title to a nonrepairable motor vehicle or salvage motor vehicle, an application for a certified copy of an original title to a nonrepairable motor vehicle or salvage motor vehicle, an assignment of title for a nonrepairable motor vehicle or salvage motor vehicle, a discharge of a lien on a title for a nonrepairable motor vehicle or salvage motor vehicle, or any other document required by TxDMV or necessary for the transfer of ownership of a nonrepairable motor vehicle or salvage motor vehicle.

C.S.H.B. 2462 revises the process for an owner or lienholder of a motor vehicle to obtain a copy of a lost or destroyed title by authorizing the owner to obtain a certified copy if the owner has original proof from the lienholder of lien satisfaction; by removing a provision relating to the acquisition of the rights, title, or interest in such a vehicle by a subsequent purchaser or lienholder of the vehicle; and by removing the restriction on the expenditure of fees collected for providing a certified copy of a lost or destroyed title. The bill removes the authorization for a purchaser or lienholder of a motor vehicle having such a certified copy to require at the time of the purchase or establishment of the lien that the seller or owner indemnify the purchaser or lienholder and all subsequent purchasers of the vehicle against any loss the person may suffer because of a claim presented on the original title. The bill establishes that a lawfully obtained certified copy of the title supersedes and invalidates any previously issued title or certified copy of the title and authorizes TxDMV to revalidate a previously superseded or invalidated title or certified copy of title if the certified copy is later rescinded, canceled, or revoked. The bill makes its provisions relating to a certified copy of a lost or destroyed certificate of title effective January 1, 2019.

C.S.H.B. 2462 repeals the following Transportation Code provisions:

- Sections 501.032(c) and (d)
- Section 501.09113(b).

### **EFFECTIVE DATE**

Except as otherwise provided, September 1, 2017.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2462 may differ from the original in minor or nonsubstantive ways, the

following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### INTRODUCED

SECTION 1. Section 501.002(30), Transportation Code, is amended.

SECTION 2. Section 501.004(b), Transportation Code, is amended.

SECTION 3. Section 501.021(a), Transportation Code, is amended to read as follows:

(a) A motor vehicle title issued by the department must include:

(1) the legal name and address of each purchaser ~~[and seller at the first sale or a subsequent sale];~~

(2) the legal name of each seller and the municipality and state in which each seller is located or resides ~~[make of the motor vehicle];~~

(3) the year, make, and body style ~~[type]~~ of the vehicle;

(4) the ~~[manufacturer's permanent]~~ vehicle identification number of the vehicle ~~[or the vehicle's motor number if the vehicle was manufactured before the date that stamping a permanent identification number on a motor vehicle was universally adopted];~~

(5) if the vehicle is subject to odometer disclosure under Section 501.072, the odometer reading and odometer brand as recorded on the last title assignment ~~[serial number]~~ for the vehicle;

(6) the name and address of each lienholder and the date of each lien on the vehicle, listed in the chronological order in which the lien was recorded;

(7) a statement indicating rights of survivorship under Section 501.031; and

(8) ~~[if the vehicle has an odometer, the odometer reading at the time of application for the title; and~~

~~[(9)]~~ any other information required by the department.

SECTION 4. Section 501.023(a), Transportation Code, is amended.

SECTION 5. Section 501.030(a), Transportation Code, is amended.

SECTION 6. The heading to Section 501.032, Transportation Code, is amended.

#### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

SECTION 2. Same as introduced version.

SECTION 3. Section 501.021(a), Transportation Code, is amended to read as follows:

(a) A motor vehicle title issued by the department must include:

(1) the legal name and address of each purchaser ~~[and seller at the first sale or a subsequent sale];~~

(2) the legal name of the seller and the municipality and state in which the seller is located or resides ~~[make of the motor vehicle];~~

(3) the year, make, and body style ~~[type]~~ of the vehicle;

(4) the ~~[manufacturer's permanent]~~ vehicle identification number of the vehicle ~~[or the vehicle's motor number if the vehicle was manufactured before the date that stamping a permanent identification number on a motor vehicle was universally adopted];~~

(5) if the vehicle is subject to odometer disclosure under Section 501.072, the odometer reading and odometer brand as recorded on the last title assignment ~~[serial number]~~ for the vehicle;

(6) the name and address of each lienholder and the date of each lien on the vehicle, listed in the chronological order in which the lien was recorded;

(7) a statement indicating rights of survivorship under Section 501.031; and

(8) ~~[if the vehicle has an odometer, the odometer reading at the time of application for the title; and~~

~~[(9)]~~ any other information required by the department.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.

SECTION 6. Same as introduced version.

SECTION 7. Sections 501.032(a) and (b), Transportation Code, are amended to read as follows:

(a) In addition to any requirement established by department rule, a motor vehicle, trailer, or semitrailer must have an identification number inspection under Section 501.0321 if:

(1) the department does not have a record of title for the vehicle, trailer, or semitrailer in the department's registration and title system, and the owner of the vehicle, trailer, or semitrailer is filing a bond with the department under Section 501.053;

(2) the vehicle, trailer, or semitrailer was last titled or registered outside of the United States and imported into the United States;  
or

(3) the owner or person claiming ownership requires an assigned or reassigned identification number under Section 501.033 [~~On proper application, the department shall assign a vehicle identification number to a travel trailer, a trailer or semitrailer, a frame, or an item of equipment, including a tractor, farm implement, unit of special mobile equipment, or unit of off road construction equipment:~~

~~[(1) on which a vehicle identification number was not die stamped by the manufacturer;~~

~~[(2) on which a vehicle identification number die stamped by the manufacturer has been lost, removed, or obliterated; or~~

~~[(3) for which a vehicle identification number was never assigned].~~

(b) An active duty member of a branch of the United States armed forces, or an immediate family member of such a member, returning to Texas with acceptable proof of the active duty status is exempt from an identification number inspection required under Subsection (a)(2) [~~The applicant shall die stamp the assigned vehicle identification number at the place designated by the department on the travel trailer, trailer, semitrailer, frame, or equipment].~~

SECTION 8. Subchapter B, Chapter 501, Transportation Code, is amended by adding Sections 501.0321 and 501.0322 to read as follows:

Sec. 501.0321. IDENTIFICATION NUMBER INSPECTION. (a) An

SECTION 7. Sections 501.032(a) and (b), Transportation Code, are amended to read as follows:

(a) In addition to any requirement established by department rule, a motor vehicle, trailer, or semitrailer must have an identification number inspection under Section 501.0321 if:

(1) the department does not have a motor vehicle record for the motor vehicle, trailer, or semitrailer in the department's registration and title system, and the owner of the motor vehicle, trailer, or semitrailer is filing a bond with the department under Section 501.053;

(2) the motor vehicle, trailer, or semitrailer was last titled or registered outside of the United States and imported into the United States; or

(3) the owner or person claiming ownership requires an assigned or reassigned identification number under Section 501.033 [~~On proper application, the department shall assign a vehicle identification number to a travel trailer, a trailer or semitrailer, a frame, or an item of equipment, including a tractor, farm implement, unit of special mobile equipment, or unit of off road construction equipment:~~

~~[(1) on which a vehicle identification number was not die stamped by the manufacturer;~~

~~[(2) on which a vehicle identification number die stamped by the manufacturer has been lost, removed, or obliterated; or~~

~~[(3) for which a vehicle identification number was never assigned].~~

(b) An active duty member of a branch of the United States armed forces, or an immediate family member of such a member, returning to Texas with acceptable proof of the active duty status is exempt from an identification number inspection required under Subsection (a)(2) [~~The applicant shall die stamp the assigned vehicle identification number at the place designated by the department on the travel trailer, trailer, semitrailer, frame, or equipment].~~

SECTION 8. Subchapter B, Chapter 501, Transportation Code, is amended by adding Sections 501.0321 and 501.0322 to read as follows:

Sec. 501.0321. IDENTIFICATION NUMBER INSPECTION. (a) An

inspection required under Section 501.032 must verify, as applicable, the identity of:

- (1) a motor vehicle;
- (2) a trailer or semitrailer;
- (3) a frame, body, or motor of a motor vehicle; or
- (4) an item of equipment not required to be titled but that may be registered under Chapter 502 or issued licensed plates under Chapter 504.

(b) An inspection under this section may not rely solely on the public identification number to verify the identity.

(c) An inspection under this section may be performed only by a person who has successfully completed an appropriate training program as determined by department rule and is:

- (1) an auto theft investigator who is a law enforcement officer of this state or a political subdivision of this state;
- (2) a person working under the direct supervision of a person described by Subdivision (1); or
- (3) an employee of the department authorized by the department to perform an inspection under this section.

(d) The department shall prescribe a form on which the identification number inspection is to be recorded. The department may provide the form only to a person described by Subsection (c).

(e) The department or another entity that provides an inspection under this section may impose a fee of not more than \$40 for the inspection. The county or municipal treasurer of a county or municipal entity that provides an inspection under this section shall credit the fee to the general fund of the county or municipality, as applicable, to defray the entity's cost associated with the inspection. If the department provides an inspection under this section, the fee shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

(f) The department may not impose a fee for an inspection requested by the department. The department shall include a notification of the waiver to the owner at the time the department requests the identification number inspection.

Sec. 501.0322. ALTERNATIVE IDENTIFICATION NUMBER

inspection required under Section 501.032 must verify, as applicable, the identity of:

- (1) a motor vehicle;
- (2) a trailer or semitrailer;
- (3) a frame, body, or motor of a motor vehicle; or
- (4) an item of equipment not required to be titled but that may be registered under Chapter 502 or issued licensed plates under Chapter 504.

(b) An inspection under this section may not rely solely on the public identification number to verify the identity.

(c) An inspection under this section may be performed only by a person who has successfully completed an appropriate training program as determined by department rule and is:

- (1) an auto theft investigator who is a law enforcement officer of this state or a political subdivision of this state;
- (2) a person working under the direct supervision of a person described by Subdivision (1);
- (3) an employee of the department authorized by the department to perform an inspection under this section; or
- (4) an employee of the National Insurance Crime Bureau authorized by the department to perform an inspection under this section.

(d) The department shall prescribe a form on which the identification number inspection is to be recorded. The department may provide the form only to a person described by Subsection (c).

(e) The department or another entity that provides an inspection under this section may impose a fee of not more than \$40 for the inspection. The county or municipal treasurer of a county or municipal entity that provides an inspection under this section shall credit the fee to the general fund of the county or municipality, as applicable, to defray the entity's cost associated with the inspection. If the department provides an inspection under this section, the fee shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

(f) The department may not impose a fee for an inspection requested by the department. The department shall include a notification of the waiver to the owner at the time the department requests the identification number inspection.

Sec. 501.0322. ALTERNATIVE IDENTIFICATION NUMBER

INSPECTION. The department by rule may establish a process for verifying the identity of an item listed in Section 501.0321(a) as an alternative to an identification number inspection under Section 501.0321. The rules may include the persons authorized to perform the inspection, when an alternative inspection under this section is required, and any fees that may be assessed. Any fee authorized must comply with Sections 501.0321(e) and (f).

SECTION 9. Section 501.033, Transportation Code, is amended to read as follows:

Sec. 501.033. ASSIGNMENT AND REASSIGNMENT OF IDENTIFICATION NUMBER BY DEPARTMENT. (a) If the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated, or a permanent identification number was never assigned, the department shall assign an identification number to [A person determined by law enforcement or a court to be the owner of] a motor vehicle, [travel trailer,] semitrailer, [or] trailer, engine [a part of a motor vehicle], [travel trailer, semitrailer, or trailer, a] frame, or body of a motor vehicle, or an item of equipment not required to be titled but that may be registered or issued license plates under Chapter 502 on inspection under Section 501.0321 and application to the department [including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment may apply to the department for an assigned vehicle identification number that has been removed, altered, obliterated, or has never been assigned].

(b) An application under this section must be in a manner prescribed by the department and accompanied by valid evidence of ownership in the name of, or properly assigned to, the applicant as required by the department.

(c) A fee of \$2 must accompany each application under this section to be deposited in the Texas Department of Motor Vehicles fund.

(d) The assigned [~~vehicle~~] identification number shall be die-stamped or otherwise affixed in the manner and location designated by the department.

(e) The department shall reassign an

INSPECTION. The department by rule may establish a process for verifying the identity of an item listed in Section 501.0321(a) as an alternative to an identification number inspection under Section 501.0321. The rules may include the persons authorized to perform the inspection, when an alternative inspection under this section is required, and any fees that may be assessed. Any fee authorized must comply with Sections 501.0321(e) and (f).

SECTION 9. Section 501.033, Transportation Code, is amended to read as follows:

Sec. 501.033. ASSIGNMENT AND REASSIGNMENT OF IDENTIFICATION NUMBER BY DEPARTMENT. (a) If the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated, or a permanent identification number was never assigned, the department shall assign an identification number to [A person determined by law enforcement or a court to be the owner of] a motor vehicle, [travel trailer,] semitrailer, [or] trailer, motor [a part of a motor vehicle], [travel trailer, semitrailer, or trailer, a] frame, or body of a motor vehicle, or an item of equipment not required to be titled but that may be registered under Chapter 502 or issued license plates under Chapter 504 on inspection under Section 501.0321 and application to the department [including a tractor, farm implement, unit of special mobile equipment, or unit of off-road construction equipment may apply to the department for an assigned vehicle identification number that has been removed, altered, obliterated, or has never been assigned].

(b) An application under this section must be in a manner prescribed by the department and accompanied by valid evidence of ownership in the name of, or properly assigned to, the applicant as required by the department.

(c) A fee of \$2 must accompany each application under this section to be deposited in the Texas Department of Motor Vehicles fund.

(d) The assigned [~~vehicle~~] identification number shall be die-stamped or otherwise affixed in the manner and location designated by the department.

(e) The department shall reassign an

~~original manufacturer's identification number only if the person who conducts the inspection under Section 501.0321 determines that the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated [If the auto theft unit of a county or municipal law enforcement agency conducts an inspection required by the department under this section, the agency may impose a fee of \$40. The county or municipal treasurer shall credit the fee to the general fund of the county or municipality, as applicable, to defray the agency's cost associated with the inspection. The fee shall be waived by the department or agency imposing the fee if the person applying under this section is the current registered owner].~~

~~(f) If the department reassigns a manufacturer's identification number, a representative of the department shall affix the number in a manner and location designated by the department.~~

~~(g) On affixing an assigned identification number or witnessing the affixing of a reassigned identification number, the owner shall certify on a form prescribed by the department that the identification number has been affixed in the manner and location designated by the department and shall submit the form in a manner prescribed by the department.~~

~~(h) Only the department may issue an identification number to a motor vehicle, trailer, semitrailer, engine, frame, or body of a motor vehicle, or an item of equipment not required to be titled but that may be registered or issued license plates under Chapter 502. The department may not recognize an identification number assigned by any other agency or political subdivision of this state.~~

SECTION 10. Section 501.036, Transportation Code, is amended.

SECTION 11. Section 501.037, Transportation Code, is amended.

SECTION 12. Section 501.071(a), Transportation Code, is amended.

SECTION 13. Section 501.072, Transportation Code, is amended to read as follows:  
Sec. 501.072. ODOMETER DISCLOSURE

~~original manufacturer's identification number only if the person who conducts the inspection under Section 501.0321 determines that the permanent identification number affixed by the manufacturer has been removed, altered, or obliterated [If the auto theft unit of a county or municipal law enforcement agency conducts an inspection required by the department under this section, the agency may impose a fee of \$40. The county or municipal treasurer shall credit the fee to the general fund of the county or municipality, as applicable, to defray the agency's cost associated with the inspection. The fee shall be waived by the department or agency imposing the fee if the person applying under this section is the current registered owner].~~

~~(f) If the department reassigns a manufacturer's identification number, a representative of the department shall affix the number in a manner and location designated by the department.~~

~~(g) On affixing an assigned identification number or witnessing the affixing of a reassigned identification number, the owner or the owner's representative shall certify on a form prescribed by the department that the identification number has been affixed in the manner and location designated by the department and shall submit the form in a manner prescribed by the department.~~

~~(h) Only the department may issue an identification number to a motor vehicle, trailer, semitrailer, motor, frame, or body of a motor vehicle, or an item of equipment not required to be titled but that may be registered under Chapter 502 or issued license plates under Chapter 504. The department may not recognize an identification number assigned by any other agency or political subdivision of this state.~~

SECTION 10. Same as introduced version.

SECTION 11. Same as introduced version.

SECTION 12. Same as introduced version.

SECTION 13. Section 501.072, Transportation Code, is amended to read as follows:  
Sec. 501.072. ODOMETER DISCLOSURE

STATEMENT. (a) Except as provided by Subsection (c), the transferor [~~seller~~] of a motor vehicle transferred [~~sold~~] in this state shall provide to the transferee [~~buyer, on a form prescribed by the department,~~] a [~~written~~] disclosure of the vehicle's odometer reading at the time of the transfer in compliance with 49 C.F.R. Part 580 [~~sale~~]. ~~The form must include space for the signature and printed name of both the seller and buyer.~~

(b) When application for a [~~certificate of~~] title is made, the transferee [~~owner~~] shall record the [~~current~~] odometer reading on the application. The [~~written~~] disclosure required by Subsection (a) must accompany the application.

(c) An odometer disclosure statement is not required for the transfer [~~sale~~] of a motor vehicle that is exempt from odometer disclosure requirements under 49 C.F.R. Section 580.17 [∴

[~~(1) has a manufacturer's rated carrying capacity of more than two tons;~~

[~~(2) is not self propelled;~~

[~~(3) is 10 or more years old;~~

[~~(4) is sold directly by the manufacturer to an agency of the United States government in conformity with contractual specifications; or~~

[~~(5) is a new motor vehicle~~].

(d) The department shall provide for use consistent with 49 C.F.R. Part 580:

(1) a secure power of attorney form; and

(2) a secure reassignment form for licensed motor vehicle dealers.

(e) In this section, "transferee" and "transferor" have the meanings assigned by 49 C.F.R. Section 580.3.

SECTION 14. Section 501.091(9), Transportation Code, is amended to read as follows:

(9) "Nonrepairable motor vehicle" means a motor vehicle [~~that~~]:

(A) that is damaged, wrecked, or burned to the extent that the only residual value of the vehicle is as a source of parts or scrap metal; [∴]

(B) that comes into this state under a comparable ownership document that indicates that the vehicle is nonrepairable;

(C) that a salvage vehicle dealer has reported to the department under Section 501.1003;

(D) for which an owner has surrendered

STATEMENT. (a) Except as provided by Subsection (c), the transferor [~~seller~~] of a motor vehicle transferred [~~sold~~] in this state shall provide to the transferee [~~buyer, on a form prescribed by the department,~~] a [~~written~~] disclosure of the vehicle's odometer reading at the time of the transfer in compliance with 49 U.S.C. Section 32705 [~~sale~~]. ~~The form must include space for the signature and printed name of both the seller and buyer.~~

(b) When application for a [~~certificate of~~] title is made, the transferee [~~owner~~] shall record the [~~current~~] odometer reading on the application. The [~~written~~] disclosure required by Subsection (a) must accompany the application.

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[~~(1) has a manufacturer's rated carrying capacity of more than two tons;~~

[~~(2) is not self propelled;~~

[~~(3) is 10 or more years old;~~

[~~(4) is sold directly by the manufacturer to an agency of the United States government in conformity with contractual specifications; or~~

[~~(5) is a new motor vehicle~~].

(d) The department shall provide for use consistent with 49 C.F.R. Part 580:

(1) a secure power of attorney form; and

(2) a secure reassignment form for licensed motor vehicle dealers.

(e) In this section, "transferee" and "transferor" have the meanings assigned by 49 C.F.R. Part 580.

SECTION 14. Section 501.091(9), Transportation Code, is amended to read as follows:

(9) "Nonrepairable motor vehicle" means a motor vehicle [~~that~~]:

(A) that is damaged, wrecked, or burned to the extent that the only residual value of the vehicle is as a source of parts or scrap metal; [∴]

(B) that comes into this state under a comparable ownership document that indicates that the vehicle is nonrepairable;

(C) that a salvage vehicle dealer has reported to the department under Section 501.1003;

(D) for which an owner has surrendered

evidence of ownership for the purpose of dismantling, scrapping, or destroying the motor vehicle;

(E) that is sold for export only by a salvage motor vehicle dealer under Section 501.099;  
or

(F) that is sold and the sale is reported as an export-only sale to the National Motor Vehicle Title Information System by any state, jurisdiction, or entity required to report to the National Motor Vehicle Title Information System.

SECTION 15. Section 501.09113(a), Transportation Code, is amended to read as follows:

(a) On receipt of a proper application from the owner of a motor vehicle, the department shall issue the applicant the appropriate title with any notations determined by the department as necessary to describe or disclose the motor vehicle's current or former condition if the [This section applies only to a] motor vehicle was brought into this state from another state or jurisdiction and [that] has on any title or comparable out-of-state ownership document issued by the other state or jurisdiction or record in the National Motor Vehicle Title Information System reported by another state or jurisdiction:

- (1) a "rebuilt," "repaired," "reconstructed," "flood damage," "fire damage," "owner retained," "salvage," or similar notation; or
- (2) a "nonrepairable," "dismantle only," "parts only," "junked," "scrapped," "crushed," "totaled," or similar notation.

SECTION 16. Section 501.097(a), Transportation Code, as amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted.

SECTION 17. Section 501.1001(a), Transportation Code, as amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted and amended.

SECTION 18. Section 501.1002(a), Transportation Code, as amended by Chapters 1136 (H.B. 1422) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted.

evidence of ownership for the purpose of dismantling, scrapping, or destroying the motor vehicle; or

(E) that is sold for export only under Section 501.099.

SECTION 15. Section 501.09113(a), Transportation Code, is amended to read as follows:

(a) On receipt of a proper application from the owner of a motor vehicle, the department shall issue the applicant the appropriate title with any notations determined by the department as necessary to describe or disclose the motor vehicle's current or former condition if the [This section applies only to a] motor vehicle was brought into this state from another state or jurisdiction and [that] has on any title or comparable out-of-state ownership document issued by the other state or jurisdiction or record in the National Motor Vehicle Title Information System reported by another state or jurisdiction:

- (1) a "rebuilt," "repaired," "reconstructed," "flood damage," "fire damage," "owner retained," "salvage," or similar notation; or
- (2) a "nonrepairable," "dismantle only," "parts only," "junked," "scrapped," "crushed," or similar notation.

SECTION 16. Same as introduced version.

SECTION 17. Same as introduced version.

SECTION 18. Same as introduced version.

SECTION 19. Section 501.1002(b), Transportation Code, is amended.

SECTION 19. Same as introduced version.

SECTION 20. Section 501.109, Transportation Code, is amended.

SECTION 20. Same as introduced version.

SECTION 21. Effective January 1, 2019, the heading to Section 501.134, Transportation Code, is amended.

SECTION 21. Same as introduced version.

SECTION 22. Effective January 1, 2019, Sections 501.134(a), (b), (c), and (d), Transportation Code, are amended.

SECTION 22. Same as introduced version.

SECTION 23. Section 541.201(5), Transportation Code, is amended.

SECTION 23. Same as introduced version.

SECTION 24. The following provisions of the Transportation Code are repealed:  
(1) Sections 501.032(c) and (d); and  
(2) Section 501.09113(b).

SECTION 24. Same as introduced version.

SECTION 25. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.

SECTION 25. Same as introduced version.