

- SUBJECT:** Allowing peace officers to tow vehicles being sold by unlicensed sellers
- COMMITTEE:** Licensing and Administrative Procedures — committee substitute recommended
- VOTE:** 6 ayes — Smith, Kuempel, Gooden, Gutierrez, Miles, Price
0 nays
3 absent — Geren, Guillen, S. Thompson
- WITNESSES:** For — Byron Riley; (*Registered, but did not testify*: Lon Craft, TMPA; Robert Blankenship; Mark Fish; Phillip Lathrop; Ron McGuire)

Against — None

On — (*Registered, but did not testify*: William Harbeson, Texas Department of Motor Vehicles)
- BACKGROUND:** Under Transportation Code, sec. 503.021 persons may not be in business as an automobile dealer, either directly or indirectly, including by consignment, without a dealer general distinguishing number in one of the categories described by sec. 503.029(a)(6) for each location from which the person conducts business as a dealer. Sec. 503.209 requires applicants and renewals for the dealer numbers to provide information to the Texas Department of Motor Vehicles and to specify the type of dealer they are proposing to be.
- DIGEST:** CSHB 2690 would authorize peace officers to tow certain vehicles being offered for sale by persons engaged in business as an automobile dealer in violation of Transportation Code sec. 503.021's requirement to have a dealer number. Peace officers could tow these vehicles from the location where they were being offered for sale and stored to a vehicle storage facility, if the conditions in CSHB 2690 were met.
- Peace officers could tow vehicles only if:
- the officer had a reasonable suspicion that the vehicle was being offered for sale by person operating in violation of Transportation Code, sec. 503.021;

- the officer had complied with notice requirements in the bill; and
- The notice was attached at least two hours before the vehicle was towed.

Before towing a vehicle, officers would have to attach a conspicuous notice to the front windshield or another conspicuous part of the vehicle if there was no front windshield. The notice would have to state:

- the make and model of the vehicle, license plate number, and vehicle identification number;
- the date and time that the notice was affixed;
- that the vehicle was being offered for sale in violation of Transportation Code sec. 503.021;
- that the vehicle would be towed and stored at the owner's expense; and
- contact information of the vehicle storage facility.

Once the notice was attached, peace officers could prevent the vehicle from being removed by someone unless the person provided evidence of ownership or authorization from the owner to sell the vehicle.

Peace officers would have 48 hours after the tow to mail a written notice to the last known address of the vehicle's registered owner and lien holders. If the owner was a resident of another jurisdiction, the notice would have to be sent to the agency responsible for vehicle titles and registration in that jurisdiction. The bill would enumerate what would have to be in the notice, including the vehicle's identifying information; the date and time that it was towed; that the vehicle was being towed at the owner's expense; and the contact information for vehicle storage facility.

The bill would take effect September 1, 2013.