

BILL ANALYSIS

Senate Research Center
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S.B. 266
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Transportation & Homeland Security
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Last session, S.B. 543, relating to certain possessory liens, passed and became law. Under the statute, in order to place a mechanic's lien on a vehicle, the lien holder as well as the tax office are required to send out notice to all parties with an interest in the vehicle. Unfortunately, the law was not clear that dual notices would be required for all mechanic's liens, not just those originating after the effective date of the law. This bill seeks to clarify that notice by both the person wishing to place a mechanic's lien and the tax office are required regardless of the date of possession of the vehicle.

As proposed, S.B. 266 amends current law relating to notice required in connection with possessory liens on motor vehicles.

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 70.006(h), Property Code, to provide that notice under this section is required regardless of the date on which the charges on which the possessory lien is based accrued.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2011.