

1 AN ACT

2 relating to the transfer of a motor vehicle title at a dealer  
3 auction.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 501.071(a), Transportation Code, is  
6 amended to read as follows:

7 (a) Except as provided in Section 503.039, a [A] motor  
8 vehicle may not be the subject of a subsequent sale unless the owner  
9 designated in the certificate of title transfers the certificate of  
10 title at the time of the sale.

11 SECTION 2. Subchapter B, Chapter 503, Transportation Code,  
12 is amended by adding Section 503.039 to read as follows:

13 Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. A motor  
14 vehicle may not be the subject of a subsequent sale at an auction by  
15 a holder of a dealer's general distinguishing number unless:

16 (1) equitable or legal title passes to the holder of a  
17 dealer's general distinguishing number before a transfer of title  
18 to the buyer; and

19 (2) the holder of a dealer's general distinguishing  
20 number transfers the certificate of title to the buyer before the  
21 21st day after the date of the sale.

22 SECTION 3. This Act takes effect September 1, 2005.

David Newburn

President of the Senate

Jim Caddell

Speaker of the House

I certify that H.B. No. 2495 was passed by the House on May 9, 2005, by a non-record vote.

Robert Harey

Chief Clerk of the House

I certify that H.B. No. 2495 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Lacey Spaul

Secretary of the Senate

APPROVED:

18 JUNE '05

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE

12:20 PM O'CLOCK

Roger Williams

Secretary of State