

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER _____

1 Committee/Subcommittee hearing bill: Transportation &
2 Infrastructure Subcommittee
3 Representative Fischer offered the following:
4

Amendment (with title amendment)

6 Remove lines 361-400 and insert:

7 (16) A motor vehicle repair shop, garage, automotive
8 service facility, storage facility, parking place, or towing-
9 storage operator must use a third-party service approved by the
10 Department of Highway Safety and Motor Vehicles to transmit all
11 notices required by this section. If there is no third-party
12 service approved by the department, the motor vehicle repair
13 shop, garage, automotive service facility, storage facility,
14 parking place, or towing-storage operator may mail the notices
15 and provide evidence of compliance with this section upon

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16 submission of an application for certificate of title or
17 certificate of destruction.

18 (a) For purposes of this subsection, the term "third-party
19 service" means a qualified business entity that, upon a request
20 submitted through a website by a motor vehicle repair shop,
21 garage, automotive service facility, storage facility, parking
22 place, or towing-storage operator:

23 1. Accesses the National Motor Vehicle Title Information
24 System records to obtain the last state of record of the
25 vehicle.

26 2. Accesses the owner, lienholder, and insurer
27 information, as applicable, for a vehicle from the department.

28 3. Electronically generates the notices required of a
29 motor vehicle repair shop and a towing-storage operator by this
30 section through the website.

31 4. Prints and sends the notices required under this
32 section to each owner, lienholder, and insurer of record by
33 certified mail.

34 5. Electronically returns tracking information or other
35 proof of mailing and delivery of the notices to the motor
36 vehicle repair shop and towing-storage operator.

37 6. Electronically reports to the department, via an
38 electronic data exchange process using a web interface, the
39 following information related to the repair and towing-storage
40 notices:

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41 a. The vehicle identification number.

42 b. The license plate number.

43 c. The name and address of the repair shop or lienor.

44 d. The physical location of the vehicle.

45 e. The date on which the vehicle was dropped off for
46 repairs.

47 f. The date on which the repairs were completed.

48 g. The amount due for repairs.

49 h. The dates on which the notice was mailed and delivered.

50 (b) A third-party service must apply to and be approved by
51 the department in order to provide notices under this section.

52 The department shall prescribe the format for the application.

53 The department may approve the applicant as qualified to perform
54 the services provided in paragraph (a) if the applicant:

55 1. Provides the department with a \$1 million bond.

56 2. Submits an acceptable internal control and data
57 security audit (Level 2) or its equivalent performed by a
58 licensed certified public accountant.

59 3. Successfully demonstrates the ability to electronically
60 provide required data to the department via an electronic data
61 exchange process using a web interface.

62 (c) The department may deny, suspend, or revoke approval
63 of a third-party service if the department determines that the
64 third-party service has committed an act of fraud or
65 misrepresentation related to a notice required by this section.

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66 (d) A third-party service must maintain all records
67 related to providing notices under this section for 5 years and
68 allow the department to inspect and copy such records upon
69 request. The records may be maintained in an electronic format.

70 (e) A third-party service must annually provide the
71 department with evidence that it maintains a \$1 million bond and
72 must annually submit an internal control and data security audit
73 (Level 2) or its equivalent performed by a licensed certified
74 public accountant to continue its approved status each year.

75 (f) A third-party service must maintain a publicly
76 available website that allows owners, registrants, lienholders,
77 insurance companies, or their agents to search for notices sent
78 pursuant to this section. The search results must exclude
79 personal identifying information but provide the same
80 information provided to the department.

81
82 Remove lines 677-717 and insert:

83 (16) A motor vehicle or vessel repair shop, garage,
84 automotive service facility, storage facility, parking place, or
85 towing-storage operator must use a third-party service approved
86 by the Department of Highway Safety and Motor Vehicles to
87 transmit all notices required by this section. If there is no
88 third-party service approved by the department, the motor
89 vehicle or vessel repair shop, garage, automotive service
90 facility, storage facility, parking place, or towing-storage

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91 operator may mail the notices and provide evidence of compliance
92 with this section upon submission of an application for
93 certificate of title or certificate of destruction.

94 (a) For purposes of this subsection, the term "third-party
95 service" means a qualified business entity that, upon a request
96 submitted through a website by a motor vehicle or vessel repair
97 shop, garage, automotive service facility, storage facility,
98 parking place, or towing-storage operator:

99 1. Accesses the National Motor Vehicle Title Information
100 System records to obtain the last state of record of the
101 vehicle.

102 2. Accesses the owner, lienholder, and insurer
103 information, as applicable, for a vehicle or vessel from the
104 department.

105 3. Electronically generates the notices required of a
106 motor vehicle or vessel repair shop and a towing-storage
107 operator by this section through the website.

108 4. Prints and sends the notices required under this
109 section to each owner, lienholder, and insurer of record by
110 certified mail.

111 5. Electronically returns tracking information or other
112 proof of mailing and delivery of the notices to the motor
113 vehicle or vessel repair shop and towing-storage operator.

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114 6. Electronically reports to the department, via an
115 electronic data exchange process using a web interface, the
116 following information related to the towing and storage notice:

117 a. The vehicle identification number or vessel hull
118 identification number.

119 b. The license plate number.

120 c. The name and address of the towing-storage operator or
121 lienor.

122 d. The physical location of the vehicle or vessel.

123 e. The date on which the vehicle or vessel was towed.

124 f. The amount of storage fees owed at the time of the
125 notice.

126 g. The date of assessment of storage charges.

127 h. The dates on which the notice was mailed and delivered.

128 (b) A third-party service must apply to and be approved by
129 the department in order to provide notices under this section.

130 The department shall prescribe the format for the application.

131 The department may approve the applicant as qualified to perform
132 the services provided in paragraph (a) if the applicant:

133 1. Provides the department with a \$1 million bond.

134 2. Submits an acceptable internal control and data
135 security audit (Level 2) or its equivalent performed by a
136 licensed certified public accountant.

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137 3. Successfully demonstrates the ability to electronically
138 provide required data to the department via an electronic data
139 exchange process using a web interface.

140 (c) The department may deny, suspend, or revoke approval
141 of a third-party service if the department determines that the
142 third-party service has committed an act of fraud or
143 misrepresentation related to a notice required by this section.

144 (d) A third-party service must maintain all records
145 related to providing notices under this section for 5 years and
146 allow the department to inspect and copy such records upon
147 request. The records may be maintained in an electronic format.

148 (e) A third-party service must annually provide the
149 department with evidence that it maintains a \$1 million bond and
150 must annually submit an internal control and data security audit
151 (Level 2) or its equivalent performed by a licensed certified
152 public accountant to continue its approved status each year.

153 (f) A third-party service must maintain a publicly
154 available website that allows owners, registrants, lienholders,
155 insurance companies, or their agents to search for notices sent
156 pursuant to this section. The search results must exclude
157 personal identifying information but provide the same
158 information provided to the department.

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160
161 **T I T L E A M E N D M E N T**

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162 Remove lines 17-25 and insert:
163 the term "administrative fee"; requiring a motor
164 vehicle repair shop, garage, automotive service
165 facility, storage facility, parking place, or towing-
166 storage operator to use a third-party service to
167 provide notices of lien and sale; providing an
168 exception; defining the term "third-party service";
169 requiring a third-party service to apply to and be
170 approved by the department; providing requirements;
171 authorizing the department to deny, suspend, or revoke
172 approval under certain circumstances; providing
173 recordkeeping requirements; providing requirements for
174 retaining approved status; requiring maintenance of a
175 website for access to certain information; requiring a
176 lienor to release certain

177
178 Remove lines 36-44 and insert:
179 the term "administrative fee"; requiring a motor
180 vehicle or vessel repair shop, garage, automotive
181 service facility, storage facility, parking place, or
182 towing-storage operator to use a third-party service
183 to provide notices of lien and sale; providing an
184 exception; defining the term "third-party service";
185 requiring a third-party service to apply to and be
186 approved by the department; providing requirements;

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Bill No. CS/HB 431 (2019)

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187 | authorizing the department to deny, suspend, or revoke
188 | approval under certain circumstances; providing
189 | recordkeeping requirements; providing requirements for
190 | retaining approved status; requiring maintenance of a
191 | website for access to certain information; requiring a
192 | lienor to accept an