

**From:** Rebecca Davio  
**To:** vtr-tac@extlists.dot.state.tx.us  
**Date:** 8/19/2009 10:43 AM  
**Subject:** New Requirements for Mechanic's Lien Notifications – SB543  
**Attachments:** TAC Mechanic Lien Ltr.doc

This is a duplicate of the information that you received earlier today that did not include the attachment. Sorry for the inconvenience.

--Rebecca

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Please review and distribute as appropriate.

Senate Bill 543, enacted by the 81st Legislature, Regular Session, amended Section 70.006 of the Property Code and becomes effective on September 1, 2009. This legislation adds new responsibilities, for both the holders of a mechanic's lien and the county tax assessor-collectors, to provide information to the owner(s) and lienholder(s) of a motor vehicle subject to a mechanic's lien.

#### HOLDER OF A MECHANIC'S LIEN RESPONSIBILITIES:

The person filing the mechanic's lien is required to notify the owner(s) and lienholder(s) of record by certified mail, return receipt requested, no later than 30 days after the charges accrue. The notice must also be sent to the address that appears on the work order authorizing possession, if the address on the work order is different than the address on the motor vehicle record. The notification must include the address where the repairs were made, the legal name of the person that holds the possessory lien, the taxpayer or employer identification number of the person that holds the possessory lien, and a signed copy of the work order authorizing repairs.

The person filing the lien is now required to submit to the county tax assessor-collector's office, in the county in which the repairs were made, an administrative fee of \$25, a copy of their notification, and a signed copy of the work order.

Providing false or misleading information in the notice can result in a Class B misdemeanor.

Not later than the 30th day after charges accrue, the holder of the mechanic's lien shall make the motor vehicle available for inspection by the owner(s) or lienholder(s) of record to verify the repairs made.

#### COUNTY TAX ASSESSOR-COLLECTOR RESPONSIBILITIES:

Not later than the 10th day after receiving notification from the holder of the mechanic's lien, the county tax assessor-collector is required to send by certified mail with return receipt requested, copies of work order and notification to the owner(s) and lienholder(s) of record.

To assist you in preparing the required county notification letter, we drafted the attached template that includes all required information and was reviewed and approved by several tax assessor collectors that you may choose to use.

The Motor Vehicle Title Manual and Form VTR-265-M, Mechanic's Lien Foreclosure will be updated to reflect these changes.

If you have any other questions, please contact your local Vehicle Titles and Registration Division Regional Office.

Thanks,

--Rebecca

If you have any comments or suggestions concerning this VTR communication process, please contact your local VTR Regional Office.

If you would like to see previous postings from the "VTR Electronic Archives," please visit <http://extlists.dot.state.tx.us/pipermail/vtr-tac/> .