

CHAPTER 754

H.B. No. 575

AN ACT

relating to repossession under a worker's lien; providing a criminal penalty.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 70.001, Property Code, is amended by adding Subsections (c) and (d) to read as follows:

*(c) A worker may take possession of an article under Subsection (b) only if the person obligated under the repair contract has signed a notice stating that the article may be subject to repossession under this section. A notice under this subsection must be:*

*(1) separate from the written repair contract; or*

*(2) printed on the written repair contract, credit agreement, or other document in type that is boldfaced, capitalized, underlined, or otherwise set out from surrounding written material so as to be conspicuous with a separate signature line.*

*(d) A worker who takes possession of an article under Subsection (b) may require a person obligated under the repair contract to pay the costs of repossession as a condition of reclaiming the article only to the extent of the reasonable fair market value of the services required to take possession of the article. For the purpose of this subsection, charges represent the fair market value of the services required to take possession of an article if the charges represent the actual cost incurred by the worker in taking possession of the article.*

SECTION 2. Section 70.001, Property Code, is amended by adding Subsections (e) and (f) to read as follows:

*(e) A worker may not sell for cash or other consideration to a person who performs repossession services a check that is received as payment for repair of an article and that is returned to the worker because of insufficient funds.*

*(f) A person commits an offense if the person sells a check in violation of Subsection (e). An offense under this subsection is a Class B misdemeanor.*

SECTION 3. (a) This Act takes effect September 1, 1993.

(b) This Act applies only to a repair contract entered into on or after September 1, 1993. A repair contract entered into before September 1, 1993, is governed by the law as it existed at the time the contract was entered into, and that law is continued in effect for that purpose.

(c) The change in law made by this Act applies only to an offense committed on or after the effective date of this Act. For purposes of this subsection, an offense is committed before the

effective date of this Act if any element of the offense occurs before that date. An offense committed before the effective date of this Act is covered by the law in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 4, 1993, by a non-record vote; passed by the Senate on May 30, 1993, by a viva-voce vote.

Approved June 17, 1993.

Effective Sept. 1, 1993.