

HB 2913 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Prepared By: Michael Lantz, Counsel

Meeting Dates: 4/3

WHAT THE MEASURE DOES:

Suspends surety bond requirement for repair businesses to impose vehicle liens until July 1, 2020. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2018, the Legislative Assembly enacted HB 4087. It required that vehicle repair shops carry a bond of at least \$20,000 in order to excise valid liens on customer vehicles for non-payment of work performed and other associated costs. This requirement does not apply to dealerships, towers, or abandoned vehicles. The bond is cover any damages or costs incurred by a vehicle owner who brings suit against the repair shop. The legislation took effect January 1, 2019.

House Bill 2913 suspends the bond requirement for repair shops and similar vehicle businesses until July 1, 2020.