HB 2913 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 2/20

WHAT THE MEASURE DOES:

Temporarily removes requirement that person hold \$20,000 surety bond before working on, storing, or transporting motor vehicle as condition for person to attach lien on motor vehicle for reasonable or agreed charges for labor materials, or service. Declares emergency, effective on passage.

No revenue impact.

No fiscal impact.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2018, House Bill 4087 was enacted to require vehicle repair shops to carry a bond of at least \$20,000 in order to properly attach a lien on a motor vehicle for cost of work performed, storage, and transportation. The bond requirement went into effect January 1, 2019. Repair shops indicate their inability to secure such bond. House Bill 2913 removes the bond requirement upon passage and reinstates the requirement on July 1, 2020.