

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5993 (as reported without amendment)
Sponsor: Representative Andrew Richner
House Committee: Commerce
Senate Committee: Financial Services

CONTENT

The bill would create the "Special Tools Lien Act" to:

- Transfer ownership rights in a special tool to an end user, for the purpose of destroying the tool, if a customer did not claim possession of it within three years after the tool was last used by the end user.
- Provide that an end user would have a lien on a special tool in the end user's possession for the amount due from a customer for metal fabrication work performed with the tool.
- Provide that a special tool builder would have a lien on a special tool for the amount owed by an end user or a customer for the fabrication, repair, or modification of the special tool, if the tool builder permanently recorded its name and address on the special tool and filed a financing statement in accordance with the Uniform Commercial Code.
- Establish procedures for enforcing a lien and selling a special tool at a public auction if an amount due were not paid.

The bill would define "special tool" as any tools, dies, jigs, gauges, gauging fixtures, special machinery, cutting tools, or metal castings manufactured by a special tool builder. "Special tool builder" would mean a person who designed, developed, manufactured, or assembled special tools for sale. "End user" would mean a person who used a special tool as part of his or her manufacturing process.

"Customer" would mean a person who caused a special tool builder to design, develop, manufacture, assemble for sale, or otherwise make a special tool for use in the design, development, manufacture, assembly, or fabrication of metal parts; or a person who caused an end user to use a special tool to design, develop, manufacture, assemble, or fabricate a metal product.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

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Fiscal Analyst: Jessica Runnels