

By: Hughes

H.B. No. 2778

A BILL TO BE ENTITLED

AN ACT

relating to allowing certain off-site sales by motor vehicle dealers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2301, Occupations Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. OFF-SITE SALES

Sec. 2301.851. DEFINITION. In this subchapter, "off-site sale" means a retail sale conducted at a location other than a location for which a dealer participating in the sale is issued a general distinguishing number.

Sec. 2301.852. OFF-SITE SALES ALLOWED. (a) A dealer who holds an off-site sales permit issued under this subchapter may participate in an off-site sale only as provided by this subchapter.

(b) This subchapter does not allow the off-site sale of a new motor vehicle.

Sec. 2301.853. PERMIT REQUIRED. (a) An application for an off-site sales permit must be made on a form prescribed by the board.

(b) The application must include:

(1) the fee required by the board;

(2) proof of a lease or other permission from the owner for the location at which the sale will take place; and

1           (3) any other information required by the board.

2           (c) The board shall set the fee for the permit in an amount  
3 sufficient to cover the state's administrative costs.

4           (d) The permit must list the dealer's name, the dealer's  
5 general distinguishing number, the date and duration of the sale,  
6 and the location of the sale.

7           Sec. 2301.854. DEALER REQUIREMENTS. At least two different  
8 dealers must participate in each off-site sale. The participating  
9 dealers must hold different general distinguishing numbers and may  
10 not have any owners in common.

11           Sec. 2301.855. LOCATION OF OFF-SITE SALE; POPULATION LIMIT.  
12 An off-site sale may be conducted only:

13           (1) within the municipal limits of a municipality in  
14 which each participating dealer has a location covered by a general  
15 distinguishing number; and

16           (2) in a county with a population of less than 100,000.

17           Sec. 2301.856. LIMIT ON DURATION OF OFF-SITE SALE. An  
18 off-site sale conducted under this subchapter may not exceed 72  
19 hours.

20           Sec. 2301.857. LIMIT ON NUMBER OF OFF-SITE SALES. A dealer  
21 may not participate in more than two off-site sales per year per  
22 general distinguishing number.

23           SECTION 2. This Act takes effect September 1, 2003.