

By: Keough

H.B. No. 385

A BILL TO BE ENTITLED

AN ACT

1
2 Relating to the requirement for a dealer general distinguishing
3 number for private sales of an automobile.

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

5 SECTION 1. Section 503.024, Transportation Code, is amended
6 to read as follows:

7 EXCLUSIONS FOR DEALER. (a) A person is not required to
8 obtain a dealer general distinguishing number if the person:

9 (1) sells or offers to sell during a calendar year
10 fewer than twelve [~~five~~] vehicles of the same type that are owned
11 and registered in that person's name; or

12 (2) is a federal, state, or local governmental agency.

13 (b) For the purposes of Section 503.021, a person is not
14 engaging in business as a dealer by:

15 (1) selling or offering to sell a vehicle the person
16 acquired for personal or business use to a person other than a
17 retail buyer if the sale or offer is not made to avoid a requirement
18 of this chapter;

19 (2) selling, in a manner provided by law for the forced
20 sale of vehicles, a vehicle in which the person holds a security
21 interest;

22 (3) acting under a court order as a receiver, trustee,
23 administrator, executor, guardian, or other appointed person;

24 (4) selling a vehicle the person acquired from the

1 vehicle's owner as a result of paying an insurance claim if the
2 person is an insurance company;

3 (5) selling an antique passenger car or truck that is
4 at least 25 years of age; or

5 (6) selling a special interest vehicle that is at
6 least 12 years of age if the person is a collector.

7 (c) For the purposes of Section [503.021](#), a domiciliary of
8 another state who holds a dealer license and bond, if applicable,
9 issued by the other state is not engaging in business as a dealer by
10 buying a vehicle from, selling a vehicle to, or exchanging a vehicle
11 with a person who:

12 (1) holds a general distinguishing number issued by
13 the department, if the transaction is not intended to avoid a
14 requirement of this chapter; or

15 (2) is a domiciliary of another state who holds a
16 dealer license and bond, if applicable, issued by the other state
17 and the transaction is not intended to avoid a requirement of this
18 chapter.

19 (d) For the purposes of Section [503.021](#), a licensed
20 auctioneer is not engaging in business as a dealer by, as a bid
21 caller, selling or offering to sell property to the highest bidder
22 at a bona fide auction if:

23 (1) legal or equitable title does not pass to the
24 auctioneer;

25 (2) the auction is not held to avoid a requirement of
26 this chapter; and

27 (3) for an auction of vehicles owned legally or

1 equitably by a person who holds a general distinguishing number,
2 the auction is conducted at the location for which the general
3 distinguishing number was issued.

4 (e) In this section, "special interest vehicle" has the
5 meaning assigned by Section 683.077(b).

6 SECTION 2. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2015.