

AN ACT

relating to assembled vehicles and former military vehicles,
including the titling and registration of those vehicles.

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

SECTION 1. Subchapter A, Chapter 2301, Occupations Code, is
amended by adding Section 2301.0045 to read as follows:

Sec. 2301.0045. NONAPPLICABILITY OF CHAPTER TO ASSEMBLED
VEHICLES AND HOBBYIST. This chapter does not apply to an assembled
vehicle or a hobbyist, as those terms are defined by Section
731.001, Transportation Code.

SECTION 2. Subchapter A, Chapter 2302, Occupations Code, is
amended by adding Section 2302.009 to read as follows:

Sec. 2302.009. REBUILDING OF ASSEMBLED VEHICLE PROHIBITED.
A salvage vehicle dealer may not, as part of engaging in a business
or activity regulated under this chapter, rebuild an assembled
vehicle, as defined by Section 731.001, Transportation Code.

SECTION 3. Subtitle J, Title 7, Transportation Code, is
amended by adding Chapter 731 to read as follows:

CHAPTER 731. ASSEMBLED VEHICLES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 731.001. DEFINITIONS. (a) In this chapter:

(1) "Assembled motorcycle" means a motorcycle, as
defined by Section 541.201, that is built or assembled by a
hobbyist.

1 (2) "Assembled motor vehicle" means a motor vehicle,
2 as defined by Section 501.002(17)(A), that:

3 (A) has a motor, body, and frame; and

4 (B) is built or assembled by a hobbyist.

5 (3) "Assembled trailer" means a trailer, semitrailer,
6 or travel trailer, as those terms are defined by Section 501.002,
7 that is built or assembled by a hobbyist.

8 (4) "Assembled vehicle" means:

9 (A) an assembled motor vehicle;

10 (B) an assembled motorcycle;

11 (C) an assembled trailer;

12 (D) a custom vehicle;

13 (E) a street rod;

14 (F) a replica; or

15 (G) a glider kit.

16 (5) "Board" means the board of the department.

17 (6) "Custom vehicle" and "street rod" have the
18 meanings assigned by Section 504.501.

19 (7) "Department" means the Texas Department of Motor
20 Vehicles.

21 (8) "Glider kit" means a truck tractor, as defined by
22 Section 541.201, that is built or assembled using:

23 (A) a kit that typically consists of a new cab,
24 frame, and front axle and new accessories; and

25 (B) a used powertrain.

26 (9) "Hobbyist" means a person who:

27 (A) builds or assembles an assembled vehicle for

1 personal use;

2 (B) does not engage in the continuous sale of
3 vehicles, as defined by the department; and

4 (C) is not the maker of a kit or a manufacturer,
5 as defined by Section 2301.002, Occupations Code.

6 (10) "Master technician" means a person who holds a
7 master technician certification issued by the National Institute
8 for Automotive Service Excellence.

9 (11) "Owner" has the meaning assigned by Section
10 541.001.

11 (12) "Replica" means a vehicle that uses a
12 manufactured prefabricated body or a body constructed from
13 materials not original to the vehicle and that resembles an
14 established make of a previous year vehicle model. The term may
15 include a custom vehicle or street rod.

16 (13) "Title" and "vehicle identification number" have
17 the meanings assigned by Section 501.002.

18 (14) "Vehicle" has the meaning assigned by Section
19 502.001.

20 (b) For purposes of Subsection (a)(4), the term "assembled
21 vehicle" does not include a golf cart, as defined by Section
22 551.401, or an off-highway vehicle, as defined by Section 663.001,
23 regardless of whether the vehicle is built or assembled by a
24 hobbyist.

25 Sec. 731.002. RULES. The board may adopt rules as necessary
26 to implement and administer this chapter.

27 Sec. 731.003. CONFLICT OF LAW. To the extent of a conflict

between this chapter, including a rule adopted under this chapter,
and another law, this chapter controls.

SUBCHAPTER B. TITLE AND REGISTRATION

Sec. 731.051. ELIGIBILITY FOR TITLE AND REGISTRATION. (a)
Except as provided by Subsection (b), an owner of an assembled
vehicle shall apply for a title for the vehicle and register the
vehicle as provided by Chapters 501 and 502, as applicable, and in
accordance with rules adopted under this chapter, regardless of
whether the assembled vehicle was built or assembled using a
vehicle that was previously titled in this state or another
jurisdiction.

(b) An assembled vehicle may not be titled or registered in
this state if the vehicle:

(1) is built or assembled from the merging of two or
more vehicle classes, provided that component parts from the
following vehicle classes may be interchanged:

(A) two-axle, four-tire passenger cars;
(B) two-axle, four-tire pickups, panels, and
vans; and
(C) six-tire dually pickups, of which the rear
tires are dual tires;

(2) uses the frame or body of a nonrepairable motor
vehicle, as defined by Section 501.091;

(3) contains any electrical or mechanical components
from a flood-damaged vehicle;

(4) is designed for off-highway use only;

(5) is designed by the manufacturer for on-track

1 racing only;

2 (6) has been stripped to the extent that the vehicle
3 loses its original identity; or

4 (7) uses any parts that do not meet federal motor
5 vehicle safety standards, if standards have been developed for
6 those parts.

7 Sec. 731.052. PROCEDURES AND REQUIREMENTS FOR TITLE AND
8 REGISTRATION. (a) The board by rule shall establish procedures and
9 requirements for:

10 (1) issuance of a title for an assembled vehicle; and

11 (2) registration of an assembled vehicle.

12 (b) Rules adopted under Subsection (a):

13 (1) may not exclude a type of assembled vehicle, other
14 than an assembled vehicle described by Section 731.051(b), from
15 eligibility for title and registration;

16 (2) must establish the form of a title issued for an
17 assembled vehicle; and

18 (3) must exempt an assembled vehicle or a type of
19 assembled vehicle from any provision of Chapter 501 or 502 that an
20 assembled vehicle or type of assembled vehicle, by its nature,
21 cannot comply with or otherwise meet the requirements of.

22 Sec. 731.053. CERTIFICATE OF TITLE REQUIREMENTS. (a) The
23 title for an assembled vehicle that has never been titled in this
24 state or any other jurisdiction must:

25 (1) list the owner of the assembled vehicle as the
26 purchaser;

27 (2) contain the notation "NONE" in the space for the

seller's name;

(3) list the municipality and state in which the vehicle was completed in the space for the seller's municipality and state; and

(4) contain the odometer reading and the notation "NOT ACTUAL MILEAGE".

(b) Except as provided by Subsection (a), a title issued for an assembled vehicle must contain all of the information required under Section 501.021.

Sec. 731.054. ASSIGNMENT OF VEHICLE IDENTIFICATION NUMBER. The department shall assign a vehicle identification number under Section 501.033 to an assembled vehicle unless the vehicle has a discernible vehicle identification number assigned by:

(1) the manufacturer of the component part by which the vehicle may be identified; or

(2) the maker of the kit from which the vehicle is built or assembled.

SUBCHAPTER C. INSPECTION BY MASTER TECHNICIAN

Sec. 731.101. INSPECTION REQUIRED FOR ISSUANCE OF TITLE.

(a) In addition to the inspection required under Chapter 548, an assembled vehicle must pass an inspection conducted by a master technician for the type of assembled vehicle being inspected. The inspection must be conducted before issuance of a title for the assembled vehicle.

(b) On application for title for an assembled vehicle, the owner of the assembled vehicle must provide:

(1) proof acceptable to the department that the

vehicle passed an inspection conducted under this section; and

(2) a copy of the master technician's Automobile and Light Truck certification or a successor certification.

(c) The board by rule shall establish procedures and requirements for the inspection required by this section. Rules adopted under this subsection:

(1) must establish inspection criteria;

(2) may specify additional items of equipment that must be inspected by a master technician and may specify different items of equipment that must be inspected based on the type of assembled vehicle; and

(3) must require an owner of an assembled vehicle that is being inspected under this section to pay all fees required for the inspection, including any reinspection, in addition to all applicable fees required under Chapter 548 for an inspection or reinspection conducted under that chapter.

Sec. 731.102. EQUIPMENT SUBJECT TO INSPECTION. An inspection conducted under Section 731.101 must:

(1) as applicable, include the following items of an assembled vehicle:

(A) frame, chassis, and any structural components of the vehicle;

(B) wheel assembly;

(C) brake system, including each brake and power brake unit;

(D) steering system, including power steering;

and

1 (E) front seat belts in vehicles that contain
2 seat belt anchorages; and

3 (2) include an evaluation of the structural integrity
4 of the assembled vehicle and, as applicable, the connection points
5 of the:

6 (A) frame, chassis, or body;

7 (B) steering system;

8 (C) drive train; and

9 (D) suspension.

10 SECTION 4. Section 501.002, Transportation Code, is amended
11 by amending Subdivisions (1), (8), (24), (31), and (32) and adding
12 Subdivision (1-a) to read as follows:

13 (1) "Assembled vehicle" has the meaning assigned by
14 Section 731.001.

15 (1-a) "Certificate of title" means a printed record of
16 title issued under Section 501.021.

17 (8) "First sale" means:

18 (A) the bargain, sale, transfer, or delivery of a
19 motor vehicle, other than an assembled vehicle, that has not been
20 previously registered or titled, with intent to pass an interest in
21 the motor vehicle, other than a lien, regardless of where the
22 bargain, sale, transfer, or delivery occurred; and

23 (B) the registration or titling of that vehicle.

24 (24) "Serial number" means a vehicle identification
25 number that is affixed to a part of a motor vehicle and that is:

26 (A) the manufacturer's permanent vehicle
27 identification number;

(B) a derivative number of the manufacturer's permanent vehicle identification number;

(C) the motor number; ~~[or]~~

(D) the vehicle identification number assigned by the department; or

(E) the vehicle identification number assigned by the maker of a kit, if the vehicle is an assembled vehicle that is assembled from a kit.

(31) "Used motor vehicle" means:

(A) a motor vehicle that has been the subject of a first sale; or

(B) an assembled vehicle that has been issued a title.

(32) "Vehicle identification number" means:

(A) the manufacturer's permanent vehicle identification number affixed by the manufacturer to the motor vehicle that is easily accessible for physical examination and permanently affixed on one or more removable parts of the vehicle; or

(B) a serial number affixed to a part of a motor vehicle that is:

(i) a derivative number of the manufacturer's permanent vehicle identification number;

(ii) the motor number; ~~[or]~~

(iii) a vehicle identification number assigned by the department; or

(iv) the vehicle identification number

1 assigned by the maker of a kit, if the vehicle is an assembled
2 vehicle that is assembled from a kit.

3 SECTION 5. Section 501.035(b), Transportation Code, is
4 amended to read as follows:

5 (b) In this section, "former military vehicle" has the
6 meaning assigned by Section 502.001 [~~504.502(i)~~].

7 SECTION 6. Section 502.001, Transportation Code, is amended
8 by adding Subdivision (17-a) to read as follows:

9 (17-a) "Former military vehicle" means a vehicle,
10 including a trailer, that:

11 (A) was manufactured for use in any country's
12 military forces; and

13 (B) is not operated on continuous tracks.

14 SECTION 7. Subchapter D, Chapter 502, Transportation Code,
15 is amended by adding Section 502.141 to read as follows:

16 Sec. 502.141. OFF-HIGHWAY FORMER MILITARY VEHICLES. (a)
17 Except as provided by Subsections (b) and (c), a person may not
18 register a former military vehicle designated for off-highway use,
19 with or without design alterations, for operation on a public
20 highway.

21 (b) A former military vehicle may be registered for on-road
22 use if the vehicle:

23 (1) is a high mobility multipurpose wheeled vehicle
24 designated for off-highway use; and

25 (2) has a gross vehicle weight rating of less than
26 10,000 pounds.

27 (c) A former military vehicle issued specialty license

1 plates under Section 504.502 may be operated on a public highway in
2 accordance with that section.

3 SECTION 8. Subchapter A, Chapter 503, Transportation Code,
4 is amended by adding Section 503.013 to read as follows:

5 Sec. 503.013. DEALER TRANSFER OF CERTAIN ASSEMBLED VEHICLES
6 PROHIBITED. (a) In this section, "assembled vehicle" and
7 "replica" have the meanings assigned by Section 731.001.

8 (b) Ownership of an assembled vehicle, other than a replica,
9 may not be transferred to or by a dealer under this chapter.

10 SECTION 9. Section 504.502(i), Transportation Code, is
11 amended to read as follows:

12 (i) In this section, "former military vehicle" means a
13 vehicle, including a trailer, regardless of the vehicle's size,
14 weight, or year of manufacture, that:

15 (1) was manufactured for use in any country's military
16 forces; ~~and~~

17 (2) is maintained to represent its military design and
18 markings accurately; and

19 (3) is not operated on continuous tracks.

20 SECTION 10. Subchapter A, Chapter 548, Transportation Code,
21 is amended by adding Section 548.009 to read as follows:

22 Sec. 548.009. ASSEMBLED VEHICLES. (a) In this section,
23 "assembled vehicle" has the meaning assigned by Section 731.001.

24 (b) A provision of this chapter does not apply to an
25 assembled vehicle if the provision:

26 (1) conflicts with Chapter 731 or a rule adopted under
27 that chapter; or

1 (2) is a provision that an assembled vehicle, by its
2 nature, cannot comply with or otherwise meet.

3 SECTION 11. Section 663.001, Transportation Code, is
4 amended by amending Subdivision (1-b) and adding Subdivision (3) to
5 read as follows:

6 (1-b) "Off-highway vehicle" means:

7 (A) an all-terrain vehicle or recreational
8 off-highway vehicle, as those terms are defined by Section 502.001;
9 ~~[or]~~

10 (B) a sand rail; or

11 (C) a utility vehicle.

12 (3) "Sand rail" means a vehicle, as defined by Section
13 502.001, that:

14 (A) is designed or built primarily for
15 off-highway use in sandy terrains, including for use on sand dunes;

16 (B) has a tubular frame, an integrated roll cage,
17 and an engine that is rear-mounted or placed midway between the
18 front and rear axles of the vehicle; and

19 (C) has a gross vehicle weight, as defined by
20 Section 541.401, of:

21 (i) not less than 700 pounds; and

22 (ii) not more than 2,000 pounds.

23 SECTION 12. As soon as practicable after the effective date
24 of this Act, the board of the Texas Department of Motor Vehicles
25 shall:

26 (1) adopt the rules required by Chapter 731,
27 Transportation Code, as added by this Act; and

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1 (2) adopt or modify any rules necessary to implement
2 the changes in law made by this Act.

3 SECTION 13. This Act takes effect September 1, 2019.

H.B. No. 1755

President of the Senate

Speaker of the House

I certify that H.B. No. 1755 was passed by the House on April 11, 2019, by the following vote: Yeas 144, Nays 0, 3 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1755 on May 24, 2019, by the following vote: Yeas 138, Nays 0, 2 present, not voting; and that the House adopted H.C.R. No. 183 authorizing certain corrections in H.B. No. 1755 on May 24, 2019, by the following vote: Yeas 140, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1755 was passed by the Senate, with amendments, on May 22, 2019, by the following vote: Yeas 31, Nays 0; and that the Senate adopted H.C.R. No. 183 authorizing certain corrections in H.B. No. 1755 on May 26, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor