

By: Hughes

S.B. No. 1462

A BILL TO BE ENTITLED

AN ACT

relating to the titling, registration, and inspection of assembled vehicles; imposing fees.

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

SECTION 1. 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. In this chapter:

(1) "Assembled vehicle" means a passenger car or light truck that:

(A) is constructed by a person other than a manufacturer licensed under Chapter 2301, Occupations Code, and is not intended for retail sale;

(B) is materially altered from its original construction;

(C) has a gross weight of less than 9,000 pounds;

(D) does not have a designated vehicle year; and

(E) may be assembled from various parts of various vehicles and kits.

(2) "Light truck" has the meaning assigned by Section 541.201.

(3) "Passenger car" means a motor vehicle, as that term is defined by Section 541.201, other than a motorcycle, used to

transport persons and designed to accommodate 10 or fewer passengers, including the operator.

Sec. 731.002. APPLICABILITY. (a) This chapter does not apply to a vehicle that:

(1) is assembled or merged from two or more vehicle classes;

(2) uses the frame or body of a vehicle that has been declared nonrepairable or junked; or

(3) contains a motor from a flood-damaged vehicle.

(b) This chapter applies to an assembled vehicle, other than a vehicle described by Subsection (a), regardless of whether the assembled vehicle:

(1) has a manufacturer's certificate of origin; or

(2) is constructed for both recreational off-road use and on-road use.

Sec. 731.003. APPLICABILITY OF OTHER LAW. (a) Sections 501.032, 501.0321, and 501.033 apply to an assembled vehicle that is titled or registered under Subchapter B.

(b) A reference to "motor vehicle" or "vehicle" in the following provisions of law does not include an assembled vehicle to which this chapter applies:

(1) Section 2301.002(24), Occupations Code;

(2) Sections 501.002(8), (15), (24), (26), (31), and (32); and

(3) Sections 541.201(12) and (23).

(c) Subchapter C, Chapter 547, does not apply to an item of vehicle equipment intended for an assembled vehicle to which this

chapter applies.

(d) Chapter 2301, Occupations Code, does not apply to an assembled vehicle or a person who constructs an assembled vehicle.

(e) The owner of an assembled vehicle that is a custom vehicle or street rod, as those terms are defined by Section 504.501, may have the vehicle titled, registered, and inspected in accordance with this chapter or Chapters 501, 502, and 548.

SUBCHAPTER B. TITLE AND REGISTRATION

Sec. 731.051. DEFINITIONS. In this subchapter:

(1) "Certificate of title" means a printed record of title issued under Section 731.052.

(2) "Department" means the Texas Department of Motor Vehicles.

(3) "Title" means a certificate or record of title that is issued under Section 731.052.

(4) "Vehicle identification number" means the identification number assigned by the department under Section 501.033 and affixed to an assembled vehicle.

Sec. 731.052. TITLE FOR ASSEMBLED VEHICLE. (a) The department shall establish procedures for the issuance of a title for an assembled vehicle.

(b) The owner of an assembled vehicle must present identification and apply for a title as prescribed by the department, unless otherwise exempted by law. To obtain a title, the owner must apply:

(1) to the county assessor-collector in the county in which:

1 (A) the owner is domiciled; or

2 (B) the vehicle is purchased or encumbered; or

3 (2) to the county assessor-collector of a county who
4 is willing to accept the application if the county
5 assessor-collector's office of the county in which the owner
6 resides is closed or may be closed for a protracted period of time
7 as defined by the department.

8 (c) A title issued by the department must include:

9 (1) the legal name and address of each purchaser;

10 (2) the legal name of the seller and the municipality
11 and state in which the seller is located or resides;

12 (3) the type of the assembled vehicle;

13 (4) the vehicle identification number of the assembled
14 vehicle;

15 (5) the name and address of each lienholder and the
16 date of each lien on the assembled vehicle, listed in the
17 chronological order in which the lien was recorded;

18 (6) a statement indicating rights of survivorship; and

19 (7) any other information required by the department.

20 (d) On receipt of a certificate of title, the owner of an
21 assembled vehicle shall write the owner's name in ink in the space
22 provided on the certificate.

23 (e) On transfer of ownership of an assembled vehicle, the
24 seller shall complete assignment of title by signing and printing
25 the seller's name, printing the date of transfer, and printing the
26 purchaser's name and address on the title.

27 Sec. 731.053. REGISTRATION REQUIRED; GENERAL RULE. (a)

Not more than 30 days after purchasing an assembled vehicle or becoming a resident of this state, the owner of an assembled vehicle shall apply for the registration of the vehicle for:

(1) each registration year in which the vehicle is used or to be used on a public highway; and

(2) if the vehicle is unregistered for a registration year that has begun and that applies to the vehicle and if the vehicle is used or to be used on a public highway, the remaining portion of that registration year.

(b) The application must be accompanied by personal identification as determined by department rule and made in a manner prescribed by the department:

(1) through the county assessor-collector of the county in which the owner resides; or

(2) if the office of that assessor-collector is closed, or may be closed for a protracted period of time, as defined by department rule, through a county assessor-collector who is willing to accept the application.

(c) A county assessor-collector, a deputy county assessor-collector, or a person acting on behalf of a county assessor-collector is not liable to any person for:

(1) refusing to register an assembled vehicle because of the person's failure to submit evidence of residency that complies with the department's rules; or

(2) registering an assembled vehicle under this section.

Sec. 731.054. INITIAL REGISTRATION. Notwithstanding

1 Section 731.053, the owner of an assembled vehicle may concurrently
2 apply for a title and for registration through the county
3 assessor-collector of the county in which:

4 (1) the owner resides; or

5 (2) the vehicle is purchased or encumbered.

6 Sec. 731.055. TITLE REQUIRED FOR REGISTRATION. The
7 department may not register or renew the registration of an
8 assembled vehicle unless the owner:

9 (1) obtains a title for the vehicle; or

10 (2) presents satisfactory evidence that a title was
11 previously issued to the owner by the department or another
12 jurisdiction.

13 Sec. 731.056. REGISTRATION PERIOD. (a) The department
14 shall designate an assembled vehicle registration year of 12
15 consecutive months to begin on the first day of a calendar month and
16 end on the last day of the 12th calendar month.

17 (b) The department shall designate assembled vehicle
18 registration years so as to distribute the work of the department
19 and the county assessor-collectors as uniformly as possible
20 throughout the year. The department may establish separate
21 registration years for any vehicle or classification of vehicle and
22 may adopt rules to administer the year-round registration system.

23 (c) The department may designate a registration period of
24 less than 12 months to be computed at a rate of one-twelfth the
25 annual registration fee multiplied by the number of months in the
26 registration period. The department by rule may allow payment of
27 registration fees for a designated period not to exceed the amount

1 of time determined by department rule.

2 (d) The department shall issue a registration receipt and
3 registration insignia that are valid until the expiration of the
4 designated period.

5 Sec. 731.057. REFUSAL TO REGISTER UNSAFE VEHICLE. The
6 department may refuse to register an assembled vehicle and may
7 cancel, suspend, or revoke a registration if the department
8 determines that an assembled vehicle is unsafe, improperly
9 equipped, or otherwise unfit to be operated on a public highway, as
10 noted by an inspector under Subchapter C.

11 Sec. 731.058. TITLE AND REGISTRATION FEES; ADMINISTRATION,
12 COLLECTION, AND DISPOSITION OF FEES. (a) An applicant for title or
13 registration of an assembled vehicle shall pay the applicable fee
14 required under Chapter 501 or 502.

15 (b) The provisions of Chapters 501 and 502 relating to the
16 administration, collection, and disposition of fees apply to an
17 assembled vehicle that is titled or registered under this chapter.

18 Sec. 731.059. RULES. (a) The department may adopt rules as
19 necessary to implement and administer this subchapter.

20 (b) The department by rule may designate provisions of
21 Chapters 501 and 502 as being applicable to an assembled vehicle
22 that is titled or registered under this subchapter, provided that
23 the department may not designate:

- 24 (1) a provision that conflicts with this chapter; or
25 (2) a provision that an assembled vehicle, by its
26 nature, cannot comply with or otherwise meet the requirements of.

27 SUBCHAPTER C. INSPECTION

1 Sec. 731.101. DEFINITIONS. In this subchapter,
2 "department," "inspection station," "inspector," and "vehicle
3 inspection report" have the meanings assigned by Chapter 548.

4 Sec. 731.102. CERTIFICATE REQUIRED FOR INSPECTORS. An
5 inspection or reinspection of an assembled vehicle under this
6 subchapter must be conducted by an inspector who holds a
7 certificate issued by the National Institute for Automotive Service
8 Excellence.

9 Sec. 731.103. ASSEMBLED VEHICLES AND EQUIPMENT SUBJECT TO
10 INSPECTION. An assembled vehicle registered under Subchapter B
11 must have the following items inspected by an inspector described
12 by Section 731.102:

- 13 (1) tires;
- 14 (2) wheel assembly;
- 15 (3) brake system, including power brake unit;
- 16 (4) steering system, including power steering;
- 17 (5) lighting equipment;
- 18 (6) horns and warning devices;
- 19 (7) mirrors;
- 20 (8) windshield wipers;
- 21 (9) front seat belts in vehicles that contain seat
22 belt anchorages; and
- 23 (10) fuel tank cap.

24 Sec. 731.104. REINSPECTION OF ASSEMBLED VEHICLE REQUIRING
25 ADJUSTMENT, CORRECTION, OR REPAIR. (a) If an inspection under this
26 subchapter discloses the necessity for adjustment, correction, or
27 repair, an inspector may not issue a passing vehicle inspection

1 report until the adjustment, correction, or repair is made. The
2 owner of the assembled vehicle may have the adjustment, correction,
3 or repair made by a qualified person of the owner's choice, subject
4 to reinspection. The vehicle shall be reinspected once free of
5 charge within 15 days after the date of the original inspection, not
6 including the date the original inspection is made, at the same
7 inspection station after the adjustment, correction, or repair is
8 made.

9 (b) An assembled vehicle that is inspected and is
10 subsequently involved in an accident affecting the safe operation
11 of an item of inspection must be reinspected following repair. The
12 reinspection must be at an inspection station and shall be treated
13 and charged as an initial inspection.

14 Sec. 731.105. ONE-YEAR INSPECTION PERIOD. The department
15 shall require an annual inspection for an assembled vehicle
16 registered under Subchapter B. The department shall set the
17 periods of inspection and may make rules with respect to those
18 periods.

19 Sec. 731.106. INSPECTION FEES; ADMINISTRATION, COLLECTION,
20 AND DISPOSITION OF FEES. (a) An owner of an assembled vehicle that
21 obtains an inspection under this subchapter shall pay the
22 applicable fee required under Chapter 548.

23 (b) The provisions of Chapter 548 relating to the
24 administration, collection, and disposition of fees apply to an
25 assembled vehicle that is inspected under this subchapter.

26 Sec. 731.107. RULES. (a) The department may adopt rules as
27 necessary to implement and administer this subchapter.

1 (b) The department by rule may designate provisions of
2 Chapter 548 as being applicable to an assembled vehicle that is
3 inspected under this subchapter, provided that the department may
4 not designate:

5 (1) a provision that conflicts with this chapter; or

6 (2) a provision that an assembled vehicle, by its
7 nature, cannot comply with or otherwise meet the requirements of.

8 SECTION 2. As soon as practicable after the effective date
9 of this Act, the Department of Public Safety of the State of Texas
10 and the Texas Department of Motor Vehicles shall adopt or modify any
11 rules necessary to implement the changes in law made by this Act.

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