

## **BILL ANALYSIS**

Senate Research Center  
88R18204 JRR-F

C.S.S.B. 261  
By: Springer  
Transportation  
3/29/2023  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

During the 86R Session, the legislature passed H.B. 1755 by E. Thompson. The bill required the board of the Texas Department of Motor Vehicles (TxDMV) to establish procedures and requirements for the titling and registration of assembled vehicles and would require owners of assembled vehicles to title and register those vehicles. The passage rightly allowed auto hobbyists and owners of other assembled vehicles to register and receive a title for vehicles they had put significant amounts of time, money, and effort into building, which did not present a public danger.

However, the bill also inadvertently changed the longstanding tradition and law of exempting certain custom agricultural trailers. In the past, farmers and ranchers in Texas that used their trailers to transport livestock, timber, or farm products qualified for farm registration. Farmers were not required to register these farm trailers or semi-trailers with a gross weight equal to or less than 4,000 pounds. If their trailer exceeded this weight and is less than 34,000 pounds, farmers or ranchers could secure a farm trailer license.

S.B. 261 rectifies the accidental change in the law by H.B. 1755 regarding registration of agriculture trailers back to the previous longstanding rule, without changing anything else in H.B. 1755 that allows auto hobbyists to assemble vehicles to title and register their vehicles.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 261 amends current law relating to titling and registration of assembled trailers.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 501.002, Transportation Code, by amending Subdivisions (1), (1-a), (8), (19), and (31) and adding Subdivisions (1-b) and (8-a), as follows:

- (1) Defines "assembled trailer."
- (1-a) Creates this subdivision from existing text.
- (1-b) Redesignates existing Subdivision (1-a) as Subdivision (1-b).
- (8) Redefines "first sale."
- (8-a) Defines "hobbyist."
- (19) Redefines "owner."
- (31) Redefines "used motor vehicle."

SECTION 2. Amends Subchapter A, Chapter 501, Transportation Code, by adding Section 501.009, as follows:

Sec. 501.009. ASSEMBLED TRAILER. Provides that an assembled trailer, for the purposes of Chapter 501 (Certificate of Title Act), is considered to be, as applicable, a trailer, semitrailer, or travel trailer, including a farm trailer or farm semitrailer.

SECTION 3. Amends Section 502.001, Transportation Code, by adding Subdivision (2-a), to define "assembled trailer."

SECTION 4. Amends Subchapter A, Chapter 502, Transportation Code, by adding Section 502.006, as follows:

Sec. 502.006. ASSEMBLED TRAILER. Provides that for the purposes of Chapter 502 (Registration of Vehicles), an assembled trailer is considered to be, as applicable, a trailer, semitrailer, or travel trailer, including a farm trailer or farm semitrailer.

SECTION 5. Amends Section 502.040(a), Transportation Code, as follows:

(a) Requires the owner of a motor vehicle, trailer, semitrailer, or assembled trailer to apply for the registration of the vehicle not more than 30 days after purchasing a vehicle, becoming a resident of this state, or completing construction of an assembled trailer, for certain terms.

SECTION 6. Amends Section 731.001(a)(4), Transportation Code, to redefine "assembled vehicle."

SECTION 7. Repealer: Section 731.001(a)(3) (relating to the definition of "assembled trailer"), Transportation Code.

SECTION 8. Effective date: upon passage or September 1, 2023.