S.B. No. 261

AN ACT

relating to titling and registration of assembled trailers.

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

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

(1)  "Assembled trailer" means a trailer, semitrailer, or travel trailer that is built or assembled by a hobbyist.

(1-a) "Assembled vehicle" has the meaning assigned by Section 731.001.

(1-b) [~~(1-a)~~]  "Certificate of title" means a printed record of title issued under Section 501.021.

(8)  "First sale" means:

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

(B)  the registration or titling of that vehicle.

(8-a)  "Hobbyist" means a person who:

(A)  builds or assembles an assembled trailer for personal use;

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

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

(19)  "Owner" means:

(A)  a person, other than a manufacturer, importer, distributor, or dealer, claiming title to or having a right to operate under a lien a motor vehicle that has been subject to a first sale; or

(B)  a hobbyist who constructed an assembled trailer.

(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; or

(C)  an assembled trailer that has been issued a title or has been registered under Chapter 502.

SECTION 2.  Subchapter A, Chapter 501, Transportation Code, is amended by adding Section 501.009 to read as follows:

Sec. 501.009.  ASSEMBLED TRAILER. For purposes of this chapter, an assembled trailer is considered to be, as applicable, a trailer, semitrailer, or travel trailer, including a farm trailer or farm semitrailer.

SECTION 3.  Section 502.001, Transportation Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a)  "Assembled trailer" has the meaning assigned by Section 501.002.

SECTION 4.  Subchapter A, Chapter 502, Transportation Code, is amended by adding Section 502.006 to read as follows:

Sec. 502.006.  ASSEMBLED TRAILER. For purposes of this chapter, an assembled trailer is considered to be, as applicable, a trailer, semitrailer, or travel trailer, including a farm trailer or farm semitrailer.

SECTION 5.  Section 502.040(a), Transportation Code, is amended to read as follows:

(a)  Not more than 30 days after purchasing a vehicle, [~~or~~] becoming a resident of this state, or completing construction of an assembled trailer, the owner of a motor vehicle, trailer, [~~or~~] semitrailer, or assembled trailer 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.

SECTION 6.  Section 731.001(a)(4), Transportation Code, is amended to read as follows:

(4)  "Assembled vehicle" means:

(A)  an assembled motor vehicle;

(B)  an assembled motorcycle;

(C)  [~~an assembled trailer;~~

[~~(D)~~]  a custom vehicle;

(D) [~~(E)~~]  a street rod;

(E) [~~(F)~~]  a replica; or

(F) [~~(G)~~]  a glider kit.

SECTION 7.  Section 731.001(a)(3), Transportation Code, is repealed.

SECTION 8.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_President of the Senate             Speaker of the House

I hereby certify that S.B. No. 261 passed the Senate on April 12, 2023, by the following vote:  Yeas 31, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 261 passed the House on May 19, 2023, by the following vote:  Yeas 142, Nays 0, one present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor