88R10755 BEE-D

By:  Miles S.B. No. 1448

A BILL TO BE ENTITLED

AN ACT

relating to the location for which a wholesale motor vehicle dealer general distinguishing number may be issued.

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

SECTION 1.  Section 503.027, Transportation Code, is amended by adding Subsection (c) to read as follows:

(c)  A rule adopted by the board relating to a dealer location, including the classification of a location as an established and permanent place of business, may not:

(1)  require that the dealer display an interior or exterior sign at a location that is a residential location described by Section 503.032(b)(2); or

(2)  prohibit a wholesale motor vehicle dealer from being located in the same building as a retail dealer, except that a rule may prohibit a wholesale motor vehicle dealer from being located in the same office space as a retail dealer.

SECTION 2.  Sections 503.032(a) and (b), Transportation Code, are amended to read as follows:

(a)  An applicant for a dealer general distinguishing number or wholesale motor vehicle auction general distinguishing number must demonstrate that the location for which the applicant requests the number is an established and permanent place of business. Except as provided by Subsection (b), a [~~A~~] location is considered to be an established and permanent place of business if the applicant:

(1)  owns the real property on which the business is situated or has a written lease for the property that has a term of not less than the term of the general distinguishing number;

(2)  maintains on the location:

(A)  a permanent furnished office that is equipped as required by the department for the sale of the vehicles of the type specified in the application; and

(B)  a conspicuous sign with letters at least six inches high showing the name of the applicant's business; and

(3)  has sufficient space on the location to display at least five vehicles of the type specified in the application.

(b)  A location for which a wholesale motor vehicle dealer is applying [~~An applicant~~] for a general distinguishing number is considered to be an established and permanent place of business if the location:

(1)  satisfies the requirements of Subsection (a), except that the location [~~as a wholesale motor vehicle dealer~~] is not required to have [~~maintain~~] display space as described by [~~in accordance with~~] Subsection (a)(3); or

(2)  is a residential location equipped with:

(A)  Internet access; and

(B)  a working telephone number listed in the business name or assumed name under which the dealer conducts business.

SECTION 3.  Section 503.032, Transportation Code, as amended by this Act, applies only to an application for an initial or renewal wholesale motor vehicle dealer general distinguishing number submitted on or after the effective date of this Act. An application for an initial or renewal wholesale motor vehicle dealer general distinguishing number submitted before the effective date of this Act is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

SECTION 4.  This Act takes effect September 1, 2023.