

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

1 applicant:

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

5 (2) maintains on the location:

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

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

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

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

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

21 (2) is a residential location equipped with:

22 (A) Internet access; and

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

26 SECTION 3. Section 503.032, Transportation Code, as amended
27 by this Act, applies only to an application for an initial or

1 renewal wholesale motor vehicle dealer general distinguishing
2 number submitted on or after the effective date of this Act. An
3 application for an initial or renewal wholesale motor vehicle
4 dealer general distinguishing number submitted before the
5 effective date of this Act is governed by the law in effect on the
6 date the application was submitted, and the former law is continued
7 in effect for that purpose.

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