

## **BILL ANALYSIS**

C.S.S.B. 1113  
By: Hughes  
Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The bill sponsor has informed the committee that there has been confusion in recent years regarding converter licenses and the Texas Department of Motor Vehicles' potential requirement for additional licenses for companies converting chassis and trailers. C.S.S.B. 1113 seeks to address this issue by establishing that a person who holds a converter's license and has a physical presence in Texas is not required to hold any additional license or general distinguishing number to sell to a retail purchaser a new motor vehicle the person converted, under certain conditions, or a trailer or semitrailer.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.S.B. 1113 amends the Occupations Code to establish that a person who holds a converter's license and has a physical presence in Texas is not required to hold any additional license or general distinguishing number to sell the following to a retail purchaser:

- a new motor vehicle the person converted, if:
  - the motor vehicle is a fully self-propelled vehicle having two or more wheels that has as its primary purpose the transport of a person or persons, or property, on a public highway or is a fully self-propelled vehicle having two or more wheels that has as its primary purpose the transport of a person or persons or property, is not manufactured for use on public streets, roads, or highways, and meets the requirement for a certificate of title; and
  - the vehicle manufacturer transferred the chassis and the manufacturer's statement of origin to the person; or
- a trailer or semitrailer, as those terms are defined by Transportation Code provisions relating to registration of vehicles, that the person manufactured.

The bill requires a person who sells a new motor vehicle or trailer or semitrailer to a retail purchaser as described by these provisions to be considered a dealer with respect to any responsibility or obligation of a dealer of that type of vehicle to the retail purchaser under statutory provisions relating to the sale or lease of motor vehicles or Transportation Code provisions relating to certificates of title and registration of vehicles.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

### **COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 1113 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute does not include the provision contained in the engrossed that made the bill's provisions applicable only in a county that has a river as a border with two other states thereby making the substitute's provision applicable to a person who holds a converter's license and has a physical presence in Texas.