

BILL ANALYSIS

Senate Research Center
89R8194 BEE-D

S.B. 1113
By: Hughes
Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In recent years, there has been confusion on converter licenses and the potential requirement of additional licenses by the Department of Motor Vehicles for companies converting chassis and trailers.

S.B. 1113 clarifies the statute and does not require a person to hold an additional license or distinguishing number to sell for a retail purchaser, which has been common practice for the past 80 years.

As proposed, S.B. 1113 amends current law relating to certain retail sales of motor vehicles, trailers, and semitrailers by a holder of a converter's license.

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 2301.476, Occupations Code, by adding Subsection (h-2), as follows:

(h-2) Provides that a person who holds a converter's license, notwithstanding any other law, 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, if the vehicle manufacturer transferred the chassis and the manufacturer's statement of origin to the person or a trailer or semitrailer the person manufactured.

SECTION 2. Effective date: upon passage or September 1, 2025.