

By: Hall

S.B. No. 2748

A BILL TO BE ENTITLED

AN ACT

relating to the diagnosis, maintenance, and repair of certain motor vehicles; providing a civil penalty.

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

SECTION 1. Subtitle C, Title 5, Business & Commerce Code, is amended by adding Chapter 121 to read as follows:

CHAPTER 121. DIAGNOSIS, MAINTENANCE, AND REPAIR OF MOTOR VEHICLES

Sec. 121.0001. DEFINITIONS. In this chapter:

(1) "Aftermarket part" means a part offered for sale or for installation in or on a motor vehicle after the motor vehicle has left the motor vehicle manufacturer's production line. The term does not include a piece of original equipment or part manufactured for a motor vehicle manufacturer.

(2) "Barrier" means a restriction that prohibits, makes more difficult, or tends to make more difficult the ability of an owner to repair the owner's motor vehicle in the manner the owner deems appropriate.

(3) "Critical repair information or tools" means necessary compatibility information equipment, schematics, tools, parts nomenclature or descriptions, parts catalogs, repair procedures, training materials, software, or technology, including information related to diagnostics, repair, and maintenance, including calibration or recalibration of parts and systems, used to return a motor vehicle to operational specifications.

1 (4) "Dealer" has the meaning assigned by Section
2 503.001, Transportation Code.

3 (5) "Department" means the Texas Department of Motor
4 Vehicles.

5 (6) "Distributor" has the meaning assigned by Section
6 2301.002, Occupations Code.

7 (7) "Manufacturer" has the meaning assigned by Section
8 503.001, Transportation Code.

9 (8) "Motor vehicle" has the meaning assigned by
10 Section 501.002, Transportation Code.

11 (9) "Motor vehicle equipment" has the meaning assigned
12 by 49 U.S.C. Section 30102(a).

13 (10) "Motor vehicle repair facility" means a person
14 that is engaged in the business of diagnosis, maintenance, or
15 repair, including servicing and calibration, of motor vehicles or
16 motor vehicle equipment.

17 (11) "Owner" means a person, or the person's designee,
18 who owns or leases a motor vehicle. The term does not include a
19 manufacturer, a person acting on behalf of a manufacturer, a motor
20 vehicle financing company, a motor vehicle dealer, or a motor
21 vehicle lessor.

22 (12) "Remanufacturer" means a person who uses a
23 standardized industrial process that returns previously sold,
24 worn, or nonfunctional products to like new or better condition and
25 performance, resulting in a fully warranted product.

26 (13) "Service provider" means a designee of an owner
27 or a designee of a motor vehicle repair facility that is hired or

1 otherwise engaged by the owner or motor vehicle repair facility to
2 assist with the diagnosis and repair of a motor vehicle.

3 (14) "Specified legal barrier" means:

4 (A) a request or requirement that an owner waive
5 the owner's right to use a motor vehicle repair facility of the
6 owner's choice;

7 (B) offering compensation or another incentive
8 in exchange for an owner waiving the owner's right to use a motor
9 vehicle repair facility of the owner's choice; or

10 (C) any additional specified legal barrier
11 identified by department rule.

12 (15) "Standardized access platform" means a
13 cybersecure authentication and authorization system developed by a
14 manufacturer that has the capability to securely access and
15 communicate vehicle-generated data that emanates directly from the
16 motor vehicle by direct local and remote wireless data connections
17 bidirectionally and in real time.

18 (16) "Technological barrier" means a technological
19 restriction that prohibits, makes more difficult, or tends to make
20 more difficult the ability of an owner to repair the owner's motor
21 vehicle in the manner the owner deems appropriate. The term
22 includes a technological barrier adopted by rule by the department.

23 (17) "Telematics system" means a system in a motor
24 vehicle that collects information generated by the operation of the
25 motor vehicle and, using wireless communication, transmits the
26 information to a remote receiving point where it will be stored.

27 (18) "Vehicle-generated data" means direct,

1 real-time, onboard data generated by the operation of a motor
2 vehicle that is related to the motor vehicle's diagnostics, repair,
3 or maintenance, including service, wear, and calibration or
4 recalibration of parts and systems, required to maintain or return
5 the motor vehicle to operational specifications in compliance with
6 federal motor vehicle safety and emissions laws, regulations, and
7 standards.

8 Sec. 121.0002. MANUFACTURER BARRIERS PROHIBITED. A
9 manufacturer may not use a technological barrier or specified legal
10 barrier that impairs the ability of:

11 (1) an owner to access the vehicle-generated data
12 generated by the owner's motor vehicle that the manufacturer is
13 required to make available under Sections 121.0003(a) and (b);

14 (2) an owner, an aftermarket parts manufacturer, an
15 aftermarket parts remanufacturer, a motor vehicle equipment
16 manufacturer, a motor vehicle repair facility, a distributor, or a
17 service provider to access critical repair information or tools
18 that the manufacturer is required to make available under Section
19 121.0003(c);

20 (3) an owner to use a service provider of the owner's
21 choice;

22 (4) an aftermarket parts manufacturer, an aftermarket
23 parts remanufacturer, a motor vehicle equipment manufacturer, a
24 motor vehicle repair facility, a distributor, or a service provider
25 to produce or offer compatible aftermarket parts; or

26 (5) an owner to diagnose, repair, and maintain the
27 owner's motor vehicle in the same manner as a manufacturer or motor

1 vehicle dealer.

2 Sec. 121.0003. DATA, INFORMATION, AND TOOL ACCESS. (a) A
3 manufacturer shall provide to each owner of a motor vehicle
4 manufactured by the manufacturer access to vehicle-generated data
5 generated by the owner's vehicle without restriction, limitation,
6 fee, license, or requiring use of a device mandated by the
7 manufacturer to decrypt vehicle-generated data.

8 (b) If a manufacturer uses wireless technology or a
9 telematics system to transmit vehicle-generated data, the
10 manufacturer shall provide access to the vehicle-generated data as
11 required under Subsection (a) and in a direct and wireless method
12 through a standardized access platform.

13 (c) A manufacturer shall provide to an owner, aftermarket
14 parts manufacturer, aftermarket parts remanufacturer, motor
15 vehicle repair facility, distributor, or service provider of a
16 vehicle manufactured by the manufacturer access to critical repair
17 information or tools related to the motor vehicle without
18 restriction or limitation and at a fair, reasonable, and
19 nondiscriminatory cost.

20 (d) A manufacturer shall develop a system, either through an
21 onboard screen or through an application that an owner can
22 download, that notifies an owner when the vehicle-generated data
23 generated by the owner's motor vehicle is being accessed. The
24 notification must specify if the access includes the ability for
25 the person accessing the data to send a command or software update
26 to complete a repair. A manufacturer or person working on behalf of
27 a manufacturer may be considered an owner of a motor vehicle for the

1 limited purpose of receiving a notification under this subsection
2 if permitted by the owner.

3 (e) A person that manages access to a motor vehicle's
4 vehicle-generated data transmitted by a standardized access
5 platform may not limit the number or types of persons that an owner
6 may designate as the owner's designee.

7 Sec. 121.0004. MANUFACTURER MANDATES PROHIBITED. (a) A
8 manufacturer may not, through repair or maintenance service
9 procedures, recommendations, service bulletins, repair manuals,
10 position statements, or other similar repair or maintenance
11 guidelines that the manufacturer distributes:

12 (1) mandate, or imply a mandate for, the use of a
13 particular brand or manufacturer of parts, tools, or equipment; or

14 (2) recommend the use of a particular brand or
15 manufacturer of parts, tools, or equipment, unless the manufacturer
16 provides a prominent notice immediately following the
17 recommendation, in the same font used in the recommendation and in a
18 font size no smaller than the font size used in the recommendation
19 that states, "NOTICE: Motor vehicle owners can choose which repair
20 parts, tools, and equipment to purchase and should carefully
21 consider their options."

22 (b) This section does not apply to recall or warranty
23 repairs.

24 Sec. 121.0005. CONTRACTS VOIDED. A provision of a contract
25 or arrangement that waives, avoids, restricts, or limits the
26 manufacturer's obligations under this chapter is void and
27 unenforceable.

1 Sec. 121.0006. REPORTS. The department shall, on or before
2 September 1 of each even-numbered year, submit a report to the
3 governor and the appropriate standing committees of the legislature
4 that includes:

5 (1) a summary of the department's administration and
6 enforcement of this chapter; and

7 (2) the department's recommendations for legislation
8 that would improve the department's ability to further protect
9 owners from limits on competition in motor vehicle repair and to
10 strengthen an owner's control over the data generated by the owner's
11 motor vehicle.

12 Sec. 121.0007. RULES. (a) The department shall adopt rules
13 to administer and enforce this section, including rules relating
14 to:

15 (1) prohibiting technological barriers;

16 (2) prohibiting specified legal barriers related to
17 motor vehicle repair or to an owner's control of data generated by
18 the owner's motor vehicle;

19 (3) the types of data that constitute
20 vehicle-generated data, unrestricted by whether the type of data is
21 related to motor vehicle repair, taking into consideration
22 cybersecurity and privacy;

23 (4) allowing an owner to directly access the data
24 generated by the owner's motor vehicle; and

25 (5) requirements for manufacturers and motor vehicle
26 dealers to inform an owner at the point of purchase or lease of the
27 motor vehicle owner's rights and the manufacturer's obligations

1 under this chapter.

2 (b) The department shall at least once every three years
3 review the department's authority under Subsection (a) and consider
4 whether it is necessary to adopt rules under that subsection to
5 ensure that standardized access platforms are effective for owners.

6 Sec. 121.0008. CIVIL PENALTY. (a) A manufacturer who
7 violates Section 121.0002, 121.0003, or 121.0004 is liable to this
8 state for a civil penalty in an amount not to exceed \$10,000 for
9 each act of violation and each day a violation occurs or continues
10 to occur.

11 (b) The attorney general may bring an action to recover the
12 civil penalty imposed under this section.

13 (c) An action under this section may be brought in a
14 district court in:

15 (1) Travis County; or

16 (2) a county in which any part of the violation occurs.

17 (d) The attorney general may recover reasonable expenses
18 incurred in obtaining a civil penalty under this section, including
19 court costs, reasonable attorney's fees, investigative costs,
20 witness fees, and deposition expenses.

21 Sec. 121.0009. CONSTRUCTION OF CHAPTER. This chapter may
22 not be construed to prevent a manufacturer from using a
23 cryptographic or technological protection necessary to secure
24 motor vehicles, vehicle-generated data, or safety critical vehicle
25 systems from an unintended audience.

26 SECTION 2. Section 121.0005, Business & Commerce Code, as
27 added by this Act, applies only to a contract or arrangement entered

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1 into, renewed, or modified on or after the effective date of this
2 Act.

3 SECTION 3. This Act takes effect September 1, 2025.