

1-1 By: Thompson of Brazoria, et al. H.B. No. 1755  
 1-2 (Senate Sponsor - Hughes)  
 1-3 (In the Senate - Received from the House April 15, 2019;  
 1-4 April 16, 2019, read first time and referred to Committee on  
 1-5 Transportation; May 19, 2019, reported adversely, with favorable  
 1-6 Committee Substitute by the following vote: Yeas 9, Nays 0;  
 1-7 May 19, 2019, sent to printer.)

1-8 COMMITTEE VOTE

1-9		Yea	Nay	Absent	PNV
1-10	Nichols	X			
1-11	Hancock	X			
1-12	Alvarado	X			
1-13	Hinojosa	X			
1-14	Kolkhorst	X			
1-15	Perry	X			
1-16	Rodríguez	X			
1-17	Schwertner	X			
1-18	West	X			

1-19 COMMITTEE SUBSTITUTE FOR H.B. No. 1755 By: Hancock

1-20 A BILL TO BE ENTITLED  
 1-21 AN ACT

1-22 relating to assembled vehicles and former military vehicles,  
 1-23 including the titling and registration of those vehicles.  
 1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-25 SECTION 1. Subchapter A, Chapter 2301, Occupations Code, is  
 1-26 amended by adding Section 2301.0045 to read as follows:  
 1-27 Sec. 2301.0045. NONAPPLICABILITY OF CHAPTER TO ASSEMBLED  
 1-28 VEHICLES AND HOBBYIST. This chapter does not apply to an assembled  
 1-29 vehicle or a hobbyist, as those terms are defined by Section  
 1-30 731.001, Transportation Code.  
 1-31 SECTION 2. Subchapter A, Chapter 2302, Occupations Code, is  
 1-32 amended by adding Section 2302.009 to read as follows:  
 1-33 Sec. 2302.009. REBUILDING OF ASSEMBLED VEHICLE PROHIBITED.  
 1-34 A salvage vehicle dealer may not, as part of engaging in a business  
 1-35 or activity regulated under this chapter, rebuild an assembled  
 1-36 vehicle, as defined by Section 731.001, Transportation Code.  
 1-37 SECTION 3. Subtitle J, Title 7, Transportation Code, is  
 1-38 amended by adding Chapter 731 to read as follows:  
 1-39 CHAPTER 731. ASSEMBLED VEHICLES  
 1-40 SUBCHAPTER A. GENERAL PROVISIONS  
 1-41 Sec. 731.001. DEFINITIONS. (a) In this chapter:  
 1-42 (1) "Assembled motorcycle" means a motorcycle, as  
 1-43 defined by Section 541.201, that is built or assembled by a  
 1-44 hobbyist.  
 1-45 (2) "Assembled motor vehicle" means a motor vehicle,  
 1-46 as defined by Section 501.002(17)(A), that:  
 1-47 (A) has a motor, body, and frame; and  
 1-48 (B) is built or assembled by a hobbyist.  
 1-49 (3) "Assembled trailer" means a trailer, semitrailer,  
 1-50 or travel trailer, as those terms are defined by Section 501.002,  
 1-51 that is built or assembled by a hobbyist.  
 1-52 (4) "Assembled vehicle" means:  
 1-53 (A) an assembled motor vehicle;  
 1-54 (B) an assembled motorcycle;  
 1-55 (C) an assembled trailer;  
 1-56 (D) a custom vehicle;  
 1-57 (E) a street rod;  
 1-58 (F) a replica; or  
 1-59 (G) a glider kit.  
 1-60 (5) "Board" means the board of the Texas Department of

2-1 Motor Vehicles.  
2-2 (6) "Custom vehicle" and "street rod" have the  
2-3 meanings assigned by Section 504.501.  
2-4 (7) "Glider kit" means a truck tractor, as defined by  
2-5 Section 541.201, that is built or assembled using:  
2-6 (A) a kit that typically consists of a new cab,  
2-7 frame, and front axle and new accessories; and  
2-8 (B) a used powertrain.  
2-9 (8) "Hobbyist" means a person who:  
2-10 (A) builds or assembles an assembled vehicle for  
2-11 personal use;  
2-12 (B) does not engage in the continuous sale of  
2-13 vehicles, as defined by the department; and  
2-14 (C) is not the maker of a kit or a manufacturer,  
2-15 as defined by Section 2301.002, Occupations Code.  
2-16 (9) "Master technician" means a person who holds a  
2-17 master technician certification issued by the National Institute  
2-18 for Automotive Service Excellence.  
2-19 (10) "Owner" has the meaning assigned by Section  
2-20 541.001.  
2-21 (11) "Replica" means a vehicle that uses a  
2-22 manufactured prefabricated body or a body constructed from  
2-23 materials not original to the vehicle and that resembles an  
2-24 established make of a previous year vehicle model. The term may  
2-25 include a custom vehicle or street rod.  
2-26 (12) "Title" and "vehicle identification number" have  
2-27 the meanings assigned by Section 501.002.  
2-28 (13) "Vehicle" has the meaning assigned by Section  
2-29 502.001.  
2-30 (b) For purposes of Subsection (a)(4), the term "assembled  
2-31 vehicle" does not include a golf cart, as defined by Section  
2-32 551.401, or an off-highway vehicle, as defined by Section 663.001,  
2-33 regardless of whether the vehicle is built or assembled by a  
2-34 hobbyist.  
2-35 Sec. 731.002. RULES. The board may adopt rules as necessary  
2-36 to implement and administer this chapter.  
2-37 Sec. 731.003. CONFLICT OF LAW. To the extent of a conflict  
2-38 between this chapter, including a rule adopted under this chapter,  
2-39 and another law, this chapter controls.  
2-40 SUBCHAPTER B. TITLE AND REGISTRATION  
2-41 Sec. 731.051. ELIGIBILITY FOR TITLE AND REGISTRATION. (a)  
2-42 Except as provided by Subsection (b), an owner of an assembled  
2-43 vehicle shall apply for a title for the vehicle and register the  
2-44 vehicle as provided by Chapters 501 and 502, as applicable, and in  
2-45 accordance with rules adopted under this chapter, regardless of  
2-46 whether the assembled vehicle was built or assembled using a  
2-47 vehicle that was previously titled in this state or another  
2-48 jurisdiction.  
2-49 (b) An assembled vehicle may not be titled or registered in  
2-50 this state if the vehicle:  
2-51 (1) is built or assembled from the merging of two or  
2-52 more vehicle classes, provided that component parts from the  
2-53 following vehicle classes may be interchanged:  
2-54 (A) two-axle, four-tire passenger cars;  
2-55 (B) two-axle, four-tire pickups, panels, and  
2-56 vans; and  
2-57 (C) six-tire dually pickups, of which the rear  
2-58 tires are dual tires;  
2-59 (2) uses the frame or body of a nonrepairable motor  
2-60 vehicle, as defined by Section 501.091;  
2-61 (3) contains any electrical or mechanical components  
2-62 from a flood-damaged vehicle;  
2-63 (4) is designed for off-highway use only;  
2-64 (5) is designed by the manufacturer for on-track  
2-65 racing only;  
2-66 (6) has been stripped to the extent that the vehicle  
2-67 loses its original identity; or  
2-68 (7) uses any parts that do not meet federal motor  
2-69 vehicle safety standards, if standards have been developed for

3-1 those parts.  
3-2 Sec. 731.052. PROCEDURES AND REQUIREMENTS FOR TITLE AND  
3-3 REGISTRATION. (a) The board by rule shall establish procedures and  
3-4 requirements for:  
3-5 (1) issuance of a title for an assembled vehicle; and  
3-6 (2) registration of an assembled vehicle.  
3-7 (b) Rules adopted under Subsection (a):  
3-8 (1) may not exclude a type of assembled vehicle, other  
3-9 than an assembled vehicle described by Section 731.051(b), from  
3-10 eligibility for title and registration;  
3-11 (2) must establish the form of a title issued for an  
3-12 assembled vehicle; and  
3-13 (3) must exempt an assembled vehicle or a type of  
3-14 assembled vehicle from any provision of Chapter 501 or 502 that an  
3-15 assembled vehicle or type of assembled vehicle, by its nature,  
3-16 cannot comply with or otherwise meet the requirements of.  
3-17 Sec. 731.053. CERTIFICATE OF TITLE REQUIREMENTS. (a) The  
3-18 title for an assembled vehicle that has never been titled in this  
3-19 state or any other jurisdiction must:  
3-20 (1) list the owner of the assembled vehicle as the  
3-21 purchaser;  
3-22 (2) contain the notation "NONE" in the space for the  
3-23 seller's name;  
3-24 (3) list the municipality and state in which the  
3-25 vehicle was completed in the space for the seller's municipality  
3-26 and state; and  
3-27 (4) contain the odometer reading and the notation "NOT  
3-28 ACTUAL MILEAGE".  
3-29 (b) Except as provided by Subsection (a), a title issued for  
3-30 an assembled vehicle must contain all of the information required  
3-31 under Section 501.021.  
3-32 Sec. 731.054. ASSIGNMENT OF VEHICLE IDENTIFICATION NUMBER.  
3-33 The department shall assign a vehicle identification number under  
3-34 Section 501.033 to an assembled vehicle unless the vehicle has a  
3-35 discernible vehicle identification number assigned by:  
3-36 (1) the manufacturer of the component part by which  
3-37 the vehicle may be identified; or  
3-38 (2) the maker of the kit from which the vehicle is  
3-39 built or assembled.  
3-40 SUBCHAPTER C. INSPECTION BY MASTER TECHNICIAN  
3-41 Sec. 731.101. INSPECTION REQUIRED FOR ISSUANCE OF TITLE.  
3-42 (a) In addition to the inspection required under Chapter 548, an  
3-43 assembled vehicle must pass an inspection conducted by a master  
3-44 technician for the type of assembled vehicle being inspected. The  
3-45 inspection must be conducted before issuance of a title for the  
3-46 assembled vehicle.  
3-47 (b) On application for title for an assembled vehicle, the  
3-48 owner of the assembled vehicle must provide:  
3-49 (1) proof acceptable to the department that the  
3-50 vehicle passed an inspection conducted under this section; and  
3-51 (2) a copy of the master technician's Automobile and  
3-52 Light Truck certification or a successor certification.  
3-53 (c) The board by rule shall establish procedures and  
3-54 requirements for the inspection required by this section. Rules  
3-55 adopted under this subsection:  
3-56 (1) must establish inspection criteria;  
3-57 (2) may specify additional items of equipment that  
3-58 must be inspected by a master technician and may specify different  
3-59 items of equipment that must be inspected based on the type of  
3-60 assembled vehicle; and  
3-61 (3) must require an owner of an assembled vehicle that  
3-62 is being inspected under this section to pay all fees required for  
3-63 the inspection, including any reinspection, in addition to all  
3-64 applicable fees required under Chapter 548 for an inspection or  
3-65 reinspection conducted under that chapter.  
3-66 Sec. 731.102. EQUIPMENT SUBJECT TO INSPECTION. An  
3-67 inspection conducted under Section 731.101 must:  
3-68 (1) as applicable, include the following items of an  
3-69 assembled vehicle:

4-1 (A) frame, chassis, and any structural  
 4-2 components of the vehicle;  
 4-3 (B) wheel assembly;  
 4-4 (C) brake system, including each brake and power  
 4-5 brake unit;  
 4-6 (D) steering system, including power steering;  
 4-7 and  
 4-8 (E) front seat belts in vehicles that contain  
 4-9 seat belt anchorages; and  
 4-10 (2) include an evaluation of the structural integrity  
 4-11 of the assembled vehicle and, as applicable, the connection points  
 4-12 of the:

4-13 (A) frame, chassis, or body;  
 4-14 (B) steering system;  
 4-15 (C) drive train; and  
 4-16 (D) suspension.

4-17 SECTION 4. Section 501.002, Transportation Code, is amended  
 4-18 by amending Subdivisions (1), (8), (24), (31), and (32) and adding  
 4-19 Subdivision (1-a) to read as follows:

4-20 (1) "Assembled vehicle" has the meaning assigned by  
 4-21 Section 731.001.

4-22 (1-a) "Certificate of title" means a printed record of  
 4-23 title issued under Section 501.021.

4-24 (8) "First sale" means:

4-25 (A) the bargain, sale, transfer, or delivery of a  
 4-26 motor vehicle, other than an assembled vehicle, that has not been  
 4-27 previously registered or titled, with intent to pass an interest in  
 4-28 the motor vehicle, other than a lien, regardless of where the  
 4-29 bargain, sale, transfer, or delivery occurred; and

4-30 (B) the registration or titling of that vehicle.

4-31 (24) "Serial number" means a vehicle identification  
 4-32 number that is affixed to a part of a motor vehicle and that is:

4-33 (A) the manufacturer's permanent vehicle  
 4-34 identification number;

4-35 (B) a derivative number of the manufacturer's  
 4-36 permanent vehicle identification number;

4-37 (C) the motor number; [~~or~~]

4-38 (D) the vehicle identification number assigned  
 4-39 by the department; or

4-40 (E) the vehicle identification number assigned  
 4-41 by the maker of a kit, if the vehicle is an assembled vehicle that is  
 4-42 assembled from a kit.

4-43 (31) "Used motor vehicle" means:

4-44 (A) a motor vehicle that has been the subject of a  
 4-45 first sale; or

4-46 (B) an assembled vehicle that has been issued a  
 4-47 title.

4-48 (32) "Vehicle identification number" means:

4-49 (A) the manufacturer's permanent vehicle  
 4-50 identification number affixed by the manufacturer to the motor  
 4-51 vehicle that is easily accessible for physical examination and  
 4-52 permanently affixed on one or more removable parts of the vehicle;  
 4-53 or

4-54 (B) a serial number affixed to a part of a motor  
 4-55 vehicle that is:

4-56 (i) a derivative number of the  
 4-57 manufacturer's permanent vehicle identification number;

4-58 (ii) the motor number; [~~or~~]

4-59 (iii) a vehicle identification number  
 4-60 assigned by the department; or

4-61 (iv) the vehicle identification number  
 4-62 assigned by the maker of a kit, if the vehicle is an assembled  
 4-63 vehicle that is assembled from a kit.

4-64 SECTION 5. Section 501.035(b), Transportation Code, is  
 4-65 amended to read as follows:

4-66 (b) In this section, "former military vehicle" has the  
 4-67 meaning assigned by Section 502.001 [~~504.502(i)~~].

4-68 SECTION 6. Section 502.001, Transportation Code, is amended  
 4-69 by adding Subdivision (17-a) to read as follows:

5-1 (17-a) "Former military vehicle" means a vehicle,  
5-2 including a trailer, that:

5-3 (A) was manufactured for use in any country's  
5-4 military forces; and

5-5 (B) is not operated on continuous tracks.

5-6 SECTION 7. Subchapter D, Chapter 502, Transportation Code,  
5-7 is amended by adding Section 502.141 to read as follows:

5-8 Sec. 502.141. OFF-HIGHWAY FORMER MILITARY VEHICLES. (a)  
5-9 Except as provided by Subsections (b) and (c), a person may not  
5-10 register a former military vehicle designated for off-highway use,  
5-11 with or without design alterations, for operation on a public  
5-12 highway.

5-13 (b) A former military vehicle may be registered for on-road  
5-14 use if the vehicle:

5-15 (1) is a high mobility multipurpose wheeled vehicle  
5-16 designated for off-highway use; and

5-17 (2) has a gross vehicle weight rating of less than  
5-18 10,000 pounds.

5-19 (c) A former military vehicle issued specialty license  
5-20 plates under Section 504.502 may be operated on a public highway in  
5-21 accordance with that section.

5-22 SECTION 8. Subchapter A, Chapter 503, Transportation Code,  
5-23 is amended by adding Section 503.013 to read as follows:

5-24 Sec. 503.013. DEALER TRANSFER OF CERTAIN ASSEMBLED VEHICLES  
5-25 PROHIBITED. (a) In this section, "assembled vehicle" and  
5-26 "replica" have the meanings assigned by Section 731.001.

5-27 (b) Ownership of an assembled vehicle, other than a replica,  
5-28 may not be transferred to or by a dealer under this chapter.

5-29 SECTION 9. Section 504.502(i), Transportation Code, is  
5-30 amended to read as follows:

5-31 (i) In this section, "former military vehicle" means a  
5-32 vehicle, including a trailer, regardless of the vehicle's size,  
5-33 weight, or year of manufacture, that:

5-34 (1) was manufactured for use in any country's military  
5-35 forces; ~~and~~

5-36 (2) is maintained to represent its military design and  
5-37 markings accurately; and

5-38 (3) is not operated on continuous tracks.

5-39 SECTION 10. Subchapter A, Chapter 548, Transportation Code,  
5-40 is amended by adding Section 548.009 to read as follows:

5-41 Sec. 548.009. ASSEMBLED VEHICLES. (a) In this section,  
5-42 "assembled vehicle" has the meaning assigned by Section 731.001.

5-43 (b) A provision of this chapter does not apply to an  
5-44 assembled vehicle if the provision:

5-45 (1) conflicts with Chapter 731 or a rule adopted under  
5-46 that chapter; or

5-47 (2) is a provision that an assembled vehicle, by its  
5-48 nature, cannot comply with or otherwise meet.

5-49 SECTION 11. Section 663.001, Transportation Code, is  
5-50 amended by amending Subdivision (1-b) and adding Subdivision (3) to  
5-51 read as follows:

5-52 (1-b) "Off-highway vehicle" means:

5-53 (A) an all-terrain vehicle or recreational  
5-54 off-highway vehicle, as those terms are defined by Section 502.001;  
5-55 ~~[or]~~

5-56 (B) a sand rail; or

5-57 (C) a utility vehicle.

5-58 (3) "Sand rail" means a vehicle, as defined by Section  
5-59 502.001, that:

5-60 (A) is designed or built primarily for  
5-61 off-highway use in sandy terrains, including for use on sand dunes;

5-62 (B) has a tubular frame, an integrated roll cage,  
5-63 and an engine that is rear-mounted or placed midway between the  
5-64 front and rear axles of the vehicle; and

5-65 (C) has a gross vehicle weight, as defined by  
5-66 Section 541.401, of:

5-67 (i) not less than 700 pounds; and

5-68 (ii) not more than 2,000 pounds.

5-69 SECTION 12. As soon as practicable after the effective date

6-1 of this Act, the board of the Texas Department of Motor Vehicles  
6-2 shall:

6-3 (1) adopt the rules required by Chapter 731,  
6-4 Transportation Code, as added by this Act; and

6-5 (2) adopt or modify any rules necessary to implement  
6-6 the changes in law made by this Act.

6-7 SECTION 13. This Act takes effect September 1, 2019.

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