

June 11, 2020

Registration and Title Bulletin # 010-20 Policy and Procedure

TO: All County Tax Assessor-Collectors and Licensed Motor Vehicle and Salvage Dealers

SUBJECT: **Titling Procedures for Assembled Vehicles**

PURPOSE

To provide guidance on the titling procedures for an assembled vehicle.

DETAILS

House Bill 1755, enacted by the 86th Legislature, required the department to adopt administrative rules to permit a person to apply for title and registration for an assembled vehicle as outlined by Transportation Code, Chapter 731. The Texas Department of Motor Vehicles (TxDMV) adopted 43 Texas Administrative Code, Chapter 217, Subchapter L (Subchapter L), that outlines the process and requirements for a person to apply for title and registration for an assembled vehicle that has not been titled in Texas or another state.

An assembled vehicle includes an assembled motor vehicle, assembled motorcycle, assembled trailer, and a custom vehicle, street rod, replica, and glider kit. An assembled vehicle may not be titled or registered if it is constructed by merging two or more vehicles classes, except parts from certain passenger cars, pickups, panels, and vans may be interchanged; uses the frame or body of a nonrepairable motor vehicle; contains any electrical or mechanical components from a flood-damaged vehicle; is designed for off-highway use or on-track racing only; is a stripped vehicle; or uses any parts not compliant with federal motor vehicle safety standards if a standard exists.

Effective June 22, 2020, an applicant must obtain approval on department letterhead from a TxDMV Regional Service Center (RSC) prior to applying for title at a county tax assessor-collector office. Before issuing a letter, the RSC will confirm the assembled vehicle is eligible for title and the applicant has all required documents to apply for title.

The letter will specify the applicant and vehicle information, including the year and make of the vehicle and any Replica or Reconstructed brands, and include a list of all required documents for the vehicle. The vehicle make will display as ASVE or HMDE (if an assembled trailer), and the year will be the year the vehicle was assembled. If the vehicle is constructed from an original body, the year and make will be the established year and make of the vehicle and will reflect the Reconstructed remark. If the vehicle resembles a prior model year vehicle, the Replica year and make of the vehicle it resembles must be provided. The owner must provide the letter, attached list, and all required documents to the county tax assessor-collector office at the time of title application. A sample letter and list are attached for your reference.

The *ASE Safety Inspection for Assembled Vehicles* (Form VTR-64) and *ASE Safety Inspection and Application for Custom Vehicle or Street Rod License Plates* (Form VTR-852) have been updated to reflect the equipment that must be inspected by a master technician and the certification requirements. Effective June 22, 2020, the attached forms with revision dates of June 2020 must be used and prior versions are no longer acceptable. The RSC will ensure the applicant completes the latest version of the form as applicable.

Transportation Code, Chapter 731, requires a newly assembled trailer (homemade trailer) to be titled regardless of weight and does not allow permissive titling. The owner of a newly assembled trailer must obtain approval on department letterhead from an RSC prior to applying for title at a county tax assessor-collector office. Assembled trailers with a non-titled record in Texas or registration receipt from another state may continue to be non-titled. If

an owner opts to apply for title for an assembled trailer that currently has a non-titled record, existing procedures must be followed, and the requirements outlined in this Registration and Title Bulletin do not apply.

With the RTS Release 9.7.0, a Newly Assembled checkbox will be available for selection in RTS. The checkbox must be selected when a department issued letter from the RSC is presented to the county. Selection of this checkbox will default the odometer brand to NOT ACTUAL MILEAGE and the previous owner name to NONE. The city and state entered for the previous owner will be the city and state in which the vehicle was completed. If the assembled vehicle is not a replica or reconstructed, the vehicle record and title will reflect a NOT FOR DEALER RESALE remark. The remark provides notice that a licensed motor vehicle dealer cannot purchase or sell the assembled vehicle pursuant to Transportation Code, §503.013. In addition, Occupations Code, §2302.009, prohibits a licensed salvage dealer and independent motor vehicle dealer from rebuilding these vehicles.

COUNTY ACTION

Ensure an applicant for an assembled vehicle that has never been titled as an assembled vehicle, or assembled trailer without a record, obtains a letter from the RSC prior to applying for title and registration.

Once an applicant presents the letter from the RSC, ensure the applicant provides all documents listed in the attachment to the letter. When processing the application in RTS, enter the vehicle information as presented in the letter, including the appropriate vehicle make, year, and any Replica or Reconstructed brands, and select the Newly Assembled checkbox. Enter the previous owner's city and state as the city and state in which the vehicle was completed.

Ensure a licensed motor vehicle dealer is not purchasing or selling an assembled vehicle when the Texas title and motor vehicle record indicate the NOT FOR DEALER RESALE remark. Ensure a licensed salvage vehicle dealer or independent motor vehicle dealer is not rebuilding an assembled vehicle when the Texas title and motor vehicle record indicate the NOT FOR DEALER RESALE remark. Deny a title application for any assembled vehicle with the NOT FOR DEALER RESALE remark that a licensed motor vehicle dealer purchases or sells or a licensed salvage dealer or independent motor vehicle dealer rebuilds, and open a dealer complaint with the TxDMV Enforcement Division at www.TxDMV.gov/dealercomplaint.

DEALER ACTION

As a licensed motor vehicle dealer, ensure you are not purchasing or selling an assembled vehicle with a NOT FOR DEALER RESALE remark notated on the Texas title or motor vehicle record.

As a licensed independent motor vehicle dealer or salvage vehicle dealer, ensure you are not rebuilding an assembled vehicle with a NOT FOR DEALER RESALE remark notated on the Texas title or motor vehicle record.

CONTACT

If you have any questions, please contact your local Texas Department of Motor Vehicles Regional Service Center.

Sincerely,



Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

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Attachments