

Board Meeting Agenda Book



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

April 7, 2016

Full Board Meeting, 8:00 a. m.



**AGENDA
BOARD MEETING
TEXAS DEPARTMENT OF MOTOR VEHICLES
4000 JACKSON AVE., BUILDING 1, LONE STAR ROOM
AUSTIN, TEXAS 78731
THURSDAY, APRIL 7, 2016
8:00 A.M.**

All agenda items are subject to possible discussion, questions, consideration, and action by the Board of the Texas Department of Motor Vehicles (Board). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Board. The Board reserves the right to discuss any items in executive session where authorized by the Open Meetings Act.

- 1. CALL TO ORDER**
 - A. Roll Call and Establishment of Quorum**
 - B. Comments and Announcements from Chair, Board Members, and Executive Director**
 - 1. Chair Laura Ryan
Recognition of Service - Board Member Marvin Rush
 - 2. Executive Director Whitney Brewster
[Anti-Fraud Initiatives](#)
 - C. Public Comment**

- 2. ACTION ITEMS**
 - A. Projects and Operations Committee Update - Board Member Blake Ingram**
 - 1. Consideration of Committee Recommendation Regarding Agency Mission, [Vision, Philosophy, and Values in Anticipation of Strategic Plan Submission](#)
 - 2. Consideration of Committee Recommendation Regarding Updated Board [Policy Document "TxDMV Goals and Objectives"](#)

 - B. Rules - Whitney Brewster, Linda M. Flores, and Jeremiah Kuntz Proposal of Rules under Title 43, Texas Administrative Code Chapter 217, Vehicle Titles and Registration**
 - 1. [Proposed Rules Briefing](#)
 - 2. [Subchapter H, Deputies](#)
Amendment §217.161
New §§217.162 - 217.168
 - 3. [New Subchapter I, Fees, §§217.181 - 217.185](#)
Amendments, Subchapters B, Motor Vehicle Registration, §§217.23, 217.24, 217.29, 217.32, 217.52, and 217.53 (includes amendments regarding plate replacement); and C, Registration and Title System, §217.72
Repeal §217.31
 - 4. [New Subchapter J, Performance Quality Recognition Program](#)
§§217.201 - 217.207

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5. [Subchapters A, Motor Vehicle Titles; B, Motor Vehicle Registration; D, Non-Repairable and Salvage Motor Vehicles; and F, Motor Vehicle Record Information](#)
Amendments, §§217.2 - 217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123

3. EXECUTIVE SESSION

A. Section 551.071 - Consultation with and advice from legal counsel regarding:

1. pending or contemplated litigation, or a settlement offer;
2. a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code, Chapter 551; or
3. any item on this agenda.

B. Section 551.074 - Personnel matters.

Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.

4. ACTION ITEMS FROM EXECUTIVE SESSION

5. ADJOURNMENT

The Board will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Board. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Board members may respond in accordance with Government Code, Section 551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

Agenda items may be presented by the named presenters or other TxDMV staff.

Pursuant to Sections 30.06 and 30.07, Penal Code (trespass by license holder with a concealed or openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun or a handgun that is carried openly.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact Stacy Steenken by telephone at (512) 302-2380.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: David D. Duncan, General Counsel, (512) 465-5665.



Fraud, Waste and Abuse Policy

April 1, 2016

The Fraud, Waste and Abuse policy resides in the Texas Department of Motor Vehicles' Human Resources Manual, Chapter 2-Workforce Expectations, Section 4-Employee Conduct. The effective date of this policy revision is April 1, 2016.

Fraud, Waste and Abuse

Purpose of Policy

The purpose of this policy is to establish the expectation that all employees are responsible for preventing, detecting and reporting fraud, waste or abuse.

We at the Texas Department of Motor Vehicles, are responsible for preserving the special trust placed in us by our many customers and stakeholders to properly use and protect the state's resources.

It is the policy of the agency to prevent fraud, waste and abuse, and, when necessary, stop continued fraud, waste and abuse by any means within our authority. It is the duty of every employee to be vigilant in identifying and reporting suspected fraud, waste and abuse in a timely manner to the appropriate supervisor or division director, whether the suspected activity concerns another employee or an individual who conducts business with or on behalf of the agency.

Understanding, preventing and stopping the waste or loss of the state's resources is a central element of the department's philosophy, and is absolutely critical to our maintaining the public's trust and ensuring the continued success of this agency.

Department employees who violate this policy may be subject to disciplinary action up to and including termination.

Definitions

Fraud involves obtaining something of value through willful misrepresentation. Fraud includes a false representation by words, conduct, or omission, which deceives or is intended to deceive another so that the individual will act upon the misrepresentation or omission to his or her legal detriment.

Waste is the misuse or loss of state resources through inefficient or ineffective practices or behaviors. Waste may result from mismanagement, inappropriate actions and/or inadequate oversight.

Abuse is the misuse of authority or position that causes the loss or improper use of state resources.

Reporting and Investigating Fraud, Waste or Abuse

Employee Responsibilities

- Understand what constitutes fraud, waste and abuse and the department's policy and procedures on identifying, reporting and stopping fraud, waste and abuse.
- Immediately report all suspected fraud, waste or abuse, or conditions that could encourage fraud, waste or abuse, to your supervisor or division director.
- Cooperate in the investigation and disposition of cases of fraud, waste and abuse.
- Do not discuss reports or investigations of suspected fraud, waste or abuse with others except as authorized by your division director.
- Employees may also contact the State Auditor's Office to report an incident by calling 1-800-TX-AUDIT (1-800-892-8348), online on the State Auditor's Office website or by mail P.O. Box 12067, Austin, TX, 78711-2067.

Supervisor and Division Director Responsibilities

- Ensure all employees understand what constitutes fraud, waste and abuse and the department's policy and procedures on identifying, reporting and stopping fraud, waste and abuse, including maintaining confidentiality of an investigation.
- Supervisors – Review immediately any reported concerns of fraud, waste or abuse and forward to the appropriate division director.
- Division directors – Upon receipt, review the reported concern and notify as necessary or appropriate to the executive director, deputy executive director and general counsel.
- Do not discuss reports or investigations of suspected fraud, waste or abuse with others except as authorized by the executive director, deputy executive director or general counsel.

Retaliation

Employees are prohibited from retaliating against another employee for reporting in good faith concerns of fraud, waste or abuse.

An employee may register a complaint with the Civil Rights Officer if the employee believes they are being retaliated against for reporting fraud, waste or abuse, or for participating in an investigation, proceeding, hearing or litigation related to cases of fraud, waste or abuse.



DATE: April 6, 2016

Action Requested:

RECOMMENDATION TO FULL BOARD

To: Texas Department of Motor Vehicles (TxDMV) Projects and Operations Committee

From: Tom Shindell, Innovation and Strategic Analyst

Agenda Item: 2.A.1.

Subject: Consideration of Staff Recommendation Regarding Agency Mission, Vision, Philosophy and Values in Anticipation of Strategic Plan Submission

RECOMMENDATION

Staff requests that the Projects and Operations Committee recommend the approval of the current TxDMV Mission, Vision, Philosophy, and Values statements as presented to the full TxDMV Board.

PURPOSE AND EXECUTIVE SUMMARY

The department's Mission, Vision, Philosophy, and Values statements are being presented for review and possible recommendation by the Projects and Operations Committee to the full TxDMV Board for inclusion in the TxDMV Strategic Plan scheduled to be submitted to the Legislative Budget Board the first week in July. The Projects and Operations Committee is asked to recommend approval of the statements with no changes to the TxDMV Board.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

As part of the strategic planning process requirements set forth by the Legislative Budget Board that all state agencies must follow, the TxDMV must submit a mission and vision statement. The TxDMV Board is responsible for reviewing and approving the mission and vision statement for inclusion in the department's strategic plan.

The TxDMV Executive Team met in January and reviewed the department's Mission, Vision, Philosophy, and Values statements. After extensive discussion, it was determined that these statements had been updated two years prior and remained applicable to the strategic direction of the department. The Executive Team recommended no changes.

TxDMV Vision

The Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation.



TxDMV Mission

To serve, protect and advance the citizens and industries in the state with quality motor vehicle related services.



TxDMV Philosophy

The Texas Department of Motor Vehicles is customer-focused and performance driven. We are dedicated to providing services in an efficient, effective and progressive manner as good stewards of state resources. With feedback from our customers, stakeholders and employees, we work to continuously improve our operations, increase customer satisfaction and provide a consumer friendly atmosphere.



TxDMV Values

We at the Texas Department of Motor Vehicles are committed to:





DATE: April 6, 2016

Action Requested:

RECOMMENDATION TO FULL BOARD

To: Texas Department of Motor Vehicles (TxDMV) Projects and Operations Committee**From:** Whitney Brewster, Executive Director**Agenda Item:** 2.A.2.**Subject:** Consideration of Recommendation Regarding Updated Board Policy Document "TxDMV Goals and Objectives"

RECOMMENDATION

Consideration by the Projects and Operations Committee for possible recommendation for approval to the full TxDMV Board is requested to align wording in the TxDMV Goals and Objectives board policy document with the TxDMV Mission, Vision, Philosophy, and Values statements being considered for inclusion in the 2016 TxDMV Strategic Plan.

PURPOSE AND EXECUTIVE SUMMARY

To update and align the TxDMV Goals and Objectives board policy document wording for the Mission, Vision, and Values with same wording being used for the department's Mission, Vision, and Values statements in the 2016 TxDMV Strategic Plan.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

The board last approved the TxDMV Goals and Objectives board policy document on October 12, 2011. Since that time, staff recommended and the TxDMV Board approved updated wording for the department's Mission, Vision, Philosophy, and Values statements in 2014 for the Strategic Plan. Staff recommended no further updates to those statements for the 2016 Strategic Plan.

In order to align the board's policy document with the wording of the 2016 TxDMV Strategic Plan, it is requested that the Project and Operations Committee recommend approval of the updated wording in the policy document to the full TxDMV Board.

Texas Department of Motor Vehicles TxDMV Goals and Objectives

1. PURPOSE

The information presented in this policy addresses the goals and key objectives of the Board of the Texas Department of Motor Vehicles (TxDMV) as they relate to the mission, vision, and values of the TxDMV.

2. SCOPE

The scope of this policy is to define the desired state the TxDMV Board is working to achieve. This policy is designed to be inspirational in outlining the desired state of the agency that supports the TxDMV Board vision and meeting agency goals.

3. TxDMV MISSION

To ~~serve, promote and~~ protect ~~and advance the citizens and industries in the state with quality motor vehicle related services, the interests of the motoring public and all citizens in the state of Texas.~~

4. TxDMV VISION

The ~~Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation~~ TxDMV shall be the most efficient, effective, transparent, and customer driven agency in Texas providing excellent services to all.

5. TxDMV VALUES

To earn the trust and faith of all citizens of Texas ~~by being with~~ transparency, ~~and~~ efficiency, ~~and~~ excellence, accountability, and putting stakeholders first, ~~cost-effective, customer centric, trustworthy, performance driven, and progressive.~~

5.1. ~~Transparent~~ Transparency – Being open and inclusive in all we do, a value that allows those at TxDMV who are affected by administrative decisions and business transactions, including but not limited to employees, customers, stakeholders, and legislative members, to know not only the basic facts and figures but also the mechanisms and processes. It is the duty of civil servants, managers and trustees to act visibly, predictably and understandably.

5.2. ~~Efficient~~cy – Being good stewards of state resources by providing products and services in the most cost-effective manner possible, a value that requires TxDMV to maximize the productivity of the personnel and capital resources of the agency. We do not add people, processes, programs or capital resources unless there is a proven need for them. We reduce people and restructure processes, programs or capital resources whenever

~~and wherever our customers and stakeholders no longer have a demonstrated need that requires the support.~~

~~5.3.5.1.~~

~~5.4.5.2. Teamwork Excellence – Working diligently to achieve the highest standards, a value that flows from TxDMV operating as one voice or unit. TxDMV is not now and never shall be again an agency made up of divisional silos. The TxDMV shall take a unified approach to performance, on that ties together the agency and individual aspect.~~

~~5.5. Communication—a value that ensures that all internal and external stakeholders of the TxDMV have clear, concise and accurate information on all aspects of agency operations and planning. Communication builds trust and teamwork.~~

~~5.6. Accountable Accountability – Accepting responsibility for all we do, collectively and as individuals. a value that states all TxDMV employees are responsible or answerable to someone for something, specifically to managers, the TxDMV Board, the Texas Legislature, stakeholders, and customers. It involves taking responsibility for our own actions and being able to explain them. Accountability comes in many forms and shall be used in all aspects of our daily business.~~

~~5.7. Cost Effective—a value at TxDMV whereby decisions and business transactions, as well as decision alternatives, are based on the one whose cost is lower than its benefit.~~

~~5.8. Customer Centric Stakeholders – Putting customers and stakeholders first, always. a value at TxDMV whereby we put the customer at the center of everything that we do, or do everything with the customer in mind.~~

~~5.9. Trustworthy—a value at TxDMV whereby everyone is clear, honest, and follows through to the best of their ability in the timeliest manner possible in order to produce results that benefit the public.~~

~~5.10. Performance Driven—a value at TxDMV whereby the agency stresses the importance of the performance of all employees and of the operating policies and systems. This approach shall consist of aligning the objectives, resources, and budgets of the different divisions and the goals, opportunities, and performance metrics of employees and measuring, analyzing, and reporting on employee and agency performance. This value shall lead the agency toward dramatic improvements in performance in financial terms, with respect to employee productivity and morale and the flexibility to adapt quickly to change.~~

~~5.11. Progressive—a value at TxDMV whereby the agency and all employees advocate for progress, change, improvement, or reform toward the vision of the agency.~~

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

The TxDMV shall be a performance driven agency in its operations whether it is in customer service, licensing, permitting, enforcement or rule-making. At all times the TxDMV shall mirror in its performance the expectations of its customers and stakeholder by effective, efficient, customer-focused, on-time, fair, predictable and thorough service or decisions.

6.1.1. Key Objective 1

The TxDMV shall be an agency that is retail-oriented in its approach. To accomplish this orientation TxDMV shall concentrate the focus of the agency on:

- 6.1.1.1. Delivering its products and services to all of its customers and stakeholders in a manner that recognizes that their needs come first. These needs must be positively and proactively met. TxDMV works for and with its customers and stakeholders, not the other way around.
- 6.1.1.2. Operating the agency's licensing and registration functions in a manner akin to how a private, for-profit business. As a private, for-profit business, TxDMV would have to listen to its customers and stakeholders and implement best practices to meet their needs or its services would no longer be profitable or necessary. Act and react in a manner that understands how to perform without a government safety net and going out of business.
- 6.1.1.3. Simplify the production and distribution processes and ease of doing business with the TxDMV. Adapting and maintaining a business value of continuous improvement is central to TxDMV operations and processes.
- 6.1.1.4. All operations of the TxDMV shall stand on their own merits operationally and financially. If a current process does not make sense then TxDMV shall work within legislative and legal constraints to redesign or discard it. If a current process does not make or save money for the state and/or its customers or stakeholders then TxDMV shall work within legislative and legal constraints to redesign or discard it. TxDMV shall operate as efficiently and effective as possible in terms of financial and personnel needs. Divisions should focus on cost savings without sacrificing performance. Division directors are accountable for meeting these needs and applicable measures. All division directors are collectively responsible for the performance of TxDMV as a whole.
- 6.1.1.5. Focus on revenue generation for transportation needs as well as the needs of its customers.

- 6.1.1.6. Decisions regarding the TxDMV divisions should be based on the overriding business need of each division to meet or provide a specific service demand, with the understanding and coordination of overarching agency-wide needs.
- 6.1.1.7. Developing and regularly updating a long-range Statewide Plan describing total system needs, establishing overarching statewide goals, and ensuring progress toward those goals.
- 6.1.1.8. The TxDMV shall establish a transparent, well-defined, and understandable system of project management within the TxDMV that integrates project milestones, forecasts, and priorities.
- 6.1.1.9. The TxDMV shall develop detailed work programs driven by milestones for major projects and other statewide goals for all TxDMV divisions.
- 6.1.1.10. The TxDMV, with input from stakeholders and policymakers, shall measure and report on progress in meeting goals and milestones for major projects and other statewide goals.

6.2. GOAL 2 – ~~Innovation and Economic Development~~ Optimized Services and Innovation

The TxDMV shall be an innovative, forward thinking agency that looks for ways to promote the economic well-being and development of the industries it serves as well as the State of Texas within the legislative boundaries that have been established for the agency.

6.2.1. Key Objective 1

The TxDMV shall achieve operational, cultural, structural and financial independence from other state agencies.

- 6.2.1.1. Build the TxDMV identity. This means that TxDMV shall make customers aware of what services we offer and how they can take advantage of those services.
- 6.2.1.2. Build the TxDMV brand. This means that TxDMV shall reach out to the stakeholders, industries we serve and the public, being proactive in addressing and anticipating their needs.
- 6.2.1.3. Determine immediate, future, and long term facility and capital needs. TxDMV needs its own stand-alone facility and IT system as soon as possible. In connection with these needs, TxDMV shall identify efficient

and effective ways to pay for them without unduly burdening either the state, its customers or stakeholders.

6.2.1.4. All regulations, enforcement actions and decision at TxDMV shall be made in a timely, fair and predictable manner.

6.2.2. Key Objective 2

Provide continuous education training on business trends in the industry with a particular emphasis on activities in Texas.

6.2.3. Key Objective 3

Provide continuous outreach services to all customers and stakeholders to access their respective needs and wants. This includes helping frame legislative or regulatory issues for consideration by other bodies including the legislature.

6.2.4. Key Objective 4

Exam all fees to determine their individual worth and reasonableness of amount. No fee shall be charged that cannot be defended financially and operationally.

6.3. GOAL 3 – Customer-centric

The TxDMV shall be a customer-centric agency that delivers today's services and decisions in a positive, solution-seeking manner while ensuring continuous, consistent and meaningful public and stakeholder involvement in shaping the TxDMV of tomorrow.

6.3.1. Key Objective 1

The TxDMV shall seek to serve its customer base through a creative and retail oriented approach to support the needs of its industries and customers.

6.3.2. Key Objective 2

The TxDMV shall develop and implement a public involvement policy that guides and encourages meaningful public involvement efforts agency-wide.

6.3.3. Key Objective 3

The TxDMV shall develop standard procedures for documenting, tracking, and analyzing customer complaint data. Successful problem resolution metrics should



be monitored to support continuous improvement activities that shall permanently improve customer facing processes.

6.3.4. Key Objective 4

The TxDMV shall provide a formal process for staff with similar responsibilities to share best practices information.

6.3.5. Key Objective 5

The TxDMV shall provide central coordination of the Department's outreach campaigns.

6.3.6. Key Objective 6

The TxDMV shall develop and expand user friendly, convenient, and efficient website applications.

6.3.7. Key Objective 7

TxDMV shall timely meet all legislative requests and mandates.

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5. TxDMV VALUES

To earn the trust and faith of all citizens of Texas with transparency, efficiency, excellence, accountability, and putting stakeholders first.

Transparency – Being open and inclusive in all we do.

5.1. Efficiency – Being good stewards of state resources by providing products and services in the most cost-effective manner possible.

5.2. Excellence – Working diligently to achieve the highest standards.

Accountability – Accepting responsibility for all we do, collectively and as individuals.

Stakeholders – Putting customers and stakeholders first, always.

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

The TxDMV shall be a performance driven agency in its operations whether it is in customer service, licensing, permitting, enforcement or rule-making. At all times the TxDMV shall mirror in its performance the expectations of its customers and stakeholder by effective, efficient, customer-focused, on-time, fair, predictable and thorough service or decisions.

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service demand, with the understanding and coordination of overarching agency-wide needs.

- 6.1.1.7. Developing and regularly updating a long-range Statewide Plan describing total system needs, establishing overarching statewide goals, and ensuring progress toward those goals.
- 6.1.1.8. The TxDMV shall establish a transparent, well-defined, and understandable system of project management within the TxDMV that integrates project milestones, forecasts, and priorities.
- 6.1.1.9. The TxDMV shall develop detailed work programs driven by milestones for major projects and other statewide goals for all TxDMV divisions.
- 6.1.1.10. The TxDMV, with input from stakeholders and policymakers, shall measure and report on progress in meeting goals and milestones for major projects and other statewide goals.

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6.2.1.4. All regulations, enforcement actions and decision at TxDMV shall be made in a timely, fair and predictable manner.

6.2.2. Key Objective 2

Provide continuous education training on business trends in the industry with a particular emphasis on activities in Texas.

6.2.3. Key Objective 3

Provide continuous outreach services to all customers and stakeholders to access their respective needs and wants. This includes helping frame legislative or regulatory issues for consideration by other bodies including the legislature.

6.2.4. Key Objective 4

Exam all fees to determine their individual worth and reasonableness of amount. No fee shall be charged that cannot be defended financially and operationally.

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The TxDMV shall develop and implement a public involvement policy that guides and encourages meaningful public involvement efforts agency-wide.

6.3.3. Key Objective 3

The TxDMV shall develop standard procedures for documenting, tracking, and analyzing customer complaint data. Successful problem resolution metrics should be monitored to support continuous improvement activities that shall permanently improve customer facing processes.

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The TxDMV shall provide a formal process for staff with similar responsibilities to share best practices information.

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The TxDMV shall provide central coordination of the Department's outreach campaigns.

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The TxDMV shall develop and expand user friendly, convenient, and efficient website applications.

6.3.7. Key Objective 7

TxDmv shall timely meet all legislative requests and mandates.

Proposed Rules Briefing

April 7, 2016

By: Whitney Brewster, Executive Director
Linda M. Flores, Chief Financial Officer and
Jeremiah Kuntz, Director of Vehicle, Registration and Titles Division



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

Mission of Texas State Government

*“Texas state government must be limited, efficient, and completely accountable. It should foster opportunity and economic prosperity, focus on critical priorities, and support the creation of strong family environments for our children. The stewards of the public trust must be men and women who administer state government in a fair, just, and responsible manner. **To honor the public trust, state officials must seek new and innovative ways to meet state government priorities in a fiscally responsible manner.**”*

Texas Department of Motor Vehicles

Vision

“The Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation.”

Mission

“To serve, protect and advance the citizens and industries in the state with quality motor vehicle related services.”

Legislative History

81st Legislature (2009) passed HB 3097 created TxDMV.
“To promote greater efficiency and accountability” (Authors intent)

82nd Legislative (2011) passed HB 2017 required TxDMV to create standards for uniformity and service quality

Legislative History (cont.)

83rd Legislature (2013) passed HB 2202 created

- The Processing and Handling Fee to provide funding for registration services and establish county compensation;
- The TxDMV Board authority to establish deputy classification types and fees by administrative rule;
- The ability for all of the county road and bridge fee to be deposited to the counties (previously \$.30 – or 3% - of each fee collected was deposited to the credit of the State Highway Fund)

84th Legislature (2015) passed SB 1512 recreated the TxDMV Fund effective September 1, 2016

Increase in County Road and Bridge Fees

	3%
FY 2014	\$ 6,904,000
FY 2015	\$ 6,869,000
Total	\$ 13,773,000

Stakeholder Outreach

- ❑ Governor, Lt Governor and Speaker Offices
- ❑ Senate and House Transportation Chairs
- ❑ Other Key Legislative Members and Staff
- ❑ Tax Assessor Collector Association Board
- ❑ Texas Association of Counties
- ❑ Texas Automobile Dealers Association
- ❑ Texas Independent Automobile Dealers Association
- ❑ Representatives from the Salvage, Lienholder, Insurance, industries
- ❑ Representatives of Full and Limited Service Deputies

Identified Challenges

State

- *State Highway funding needs*
- *TxDMV funding needs*

County

- *County compensation*
- *Work load in the TAC office*

Shared

- *Simplify transaction fees for registration*
- *Minimize cost to the customer*
- *Improve customer service experience*
- *Ensure public trust*

Anticipated Outcomes

State

- *Increases State Highway Funding by approx. \$47 mil/yr*
- *Provides revenue to the TxDMV to fund registration services of the department*

County

- *Increases county compensation for walk-in registration transactions*
- *Reduces renewal work load for TAC offices*
- *Continues county equipment from the TxDMV budget*

Shared

- *Reduces online transaction costs*
- *Establishes the Performance Quality Recognition program*

Increase to State Highway Fund

	Current	Proposed
Registration Fee	\$ 50.75	\$ 50.75
County Retained	\$ (1.90)	\$ -
Remitted to Fund 006	\$ 48.85	\$ 50.75
Estimated Net Gain to Fund 006/ yr		\$ 47,000,000

TxDMV Fund – Gap Analysis

Revenue					
	2017	2018	2019	2020	2021
Total TxDMV Revenue	\$ 153,264,406	\$ 131,953,806	\$ 133,428,906	\$ 135,172,406	\$ 136,803,506
Expenditures					
	2017	2018	2019	2020	2021
Operating Expenditures	\$ 145,228,701	\$ 168,180,219	\$ 145,228,701	\$ 168,180,219	\$ 145,228,701
Employees Fringe Benefits	\$ 11,993,918	\$ 11,516,832	\$ 11,993,918	\$ 11,516,832	\$ 11,993,918
Net Income (Loss)	\$ (3,958,213)	\$ (47,743,245)	\$ (23,793,713)	\$ (44,524,645)	\$ (20,419,113)

Footnotes:

1. The 2016/17 expenditures reflect approved HB 1 TxDMV appropriations.
2. Registration Fee Projections include factor of 1.5% growth in FY 2017; 2% growth in FY 2018, FY 2019, FY 2020, and FY 2021
3. Automation Funding front-loaded in FY 2016 and FY 2018

County Cost Saving Proposals

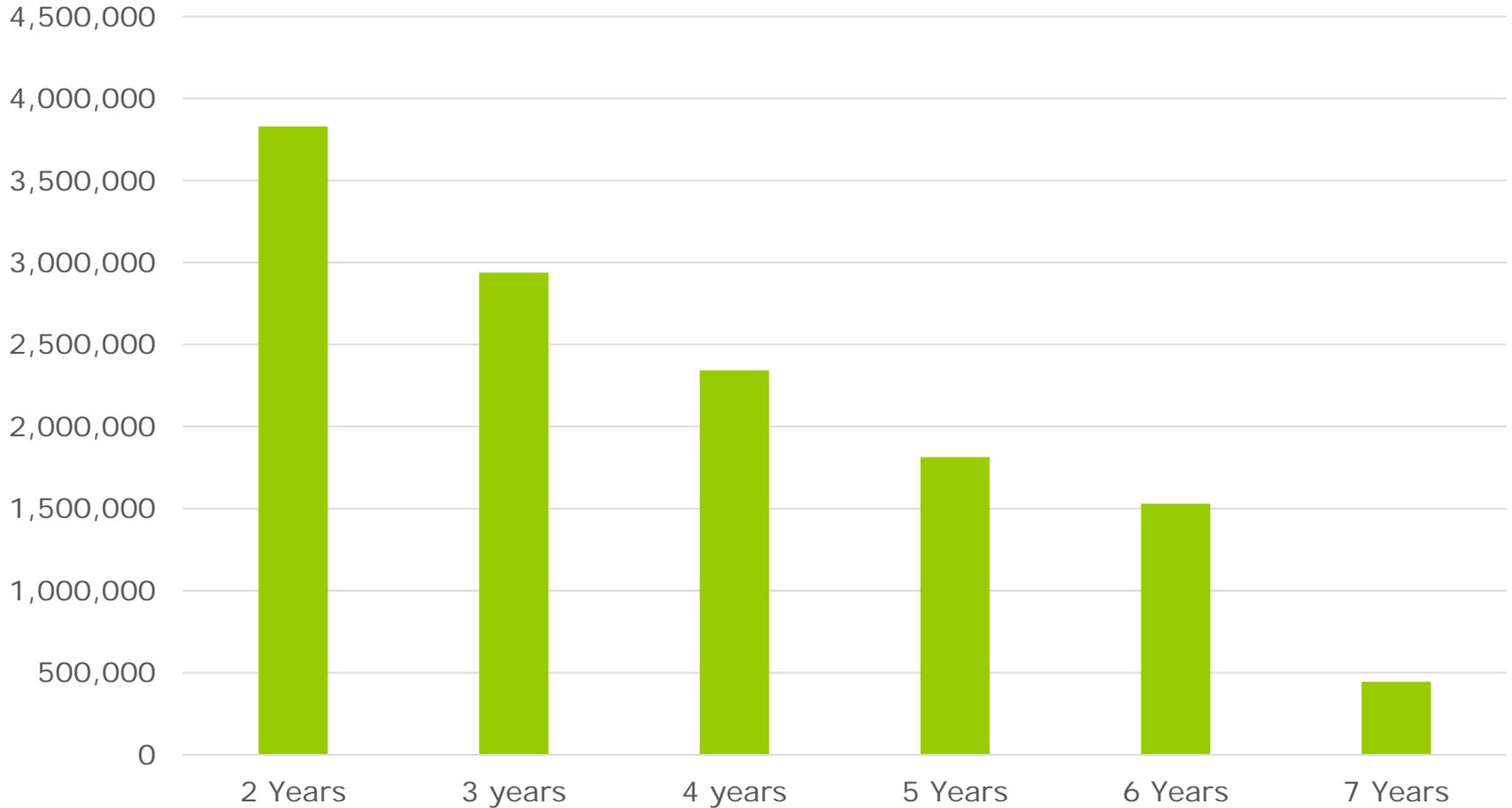


Agenda Item 2.B.3

Plate Replacement Cycle

- ❑ Removes requirement to replace license plates
- ❑ County savings for postage, handling and plate envelopes
- ❑ Replacement plates only issued upon request
- ❑ Aligns with statutory requirement for plate replacement fee
- ❑ State savings for plate production

General Issue License Plate Age



County Plate Replacement Savings

Processing for Online and Mail-In Plate Replacements

Postage (First Class)	\$	3.74
Envelope	\$	0.02
Labor	\$	<u>1.24</u>
	\$	5.00

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Annual Plate Replacements	135,000	244,125	289,406	355,970	419,350
County Savings	\$ 675,000	\$ 1,221,000	\$ 1,447,000	\$ 1,780,000	\$ 2,097,000

5 Year Savings

\$

7,220,000

Centralized Online Fulfillment

- TAC will no longer be required to:
 - Pay for postage and return envelope
 - Print registration sticker
 - Stuff the return envelope
- The registration revenue will continue to be deposited in the county fund and remitted with other registration fees

Processing and Handling Fee



(Agenda Item 2.B.3)

County and Deputy Compensation Overview

	Percent	Current		Jan 2017	
		County	Deputy	County ²	Deputy
Walk in	64%	\$ 1.90	\$ -	\$ 2.30	\$ -
Online ¹	18%	\$ 2.90	\$ -	\$ 0.25	\$ -
Mail	8%	\$ 2.90	\$ -	\$ 2.30	
Limited Service Deputy	5%	\$ 1.90	\$ 1.00	\$ 1.30	\$ 1.00
Full Service Deputy	4%	\$ 1.90	\$ 5.00	\$ 1.30	\$ 5.00
Dealer Deputy	0%	N/A	N/A	\$ 1.30	\$ 1.00
Inspection Deputy	0%	N/A	N/A	\$ 1.30	\$ 1.00
Temporary Permits		\$ 1.90	\$ 0.00	\$ 5.00 ³	\$ 5.00 ³

¹ Compensation assumes discontinuance of plate replacement mailing

² New compensation for online transactions reflects centralized online processing by TxDMV

³ The entity issuing the temporary permit retains the entire amount of the P&H fee

P&H Walk-In

Current

	64% ¹
Registration Fee	\$ 50.75
Automation Fee	\$ 1.00
Total Fee	\$ 51.75
County Compensation	\$ (1.90)
Automation Fund	\$ (1.00)
Fund 006 Deposit	\$ 48.85

Jan 2017

Registration Fee	\$ 50.75
P&H Fee	\$ 5.00
Total Fee	\$ 55.75
County Compensation	\$ (2.30)
TxDMV Compensation ²	\$ (2.20)
Automation Fund	\$ (.50)
Fund 006 Deposit	\$ 50.75

¹ Estimated percentage of total registration transactions (initial and renewal)

² Funding to support county equipment is included in the TxDMV Compensation

P&H Online

Current

	18% ¹
Registration Fee	\$ 50.75
Automation Fee	\$ 1.00
Internet fee	\$ 2.00
Mail-In Fee	\$ 1.00
Total Fee	\$ 54.75
County Compensation	\$ (2.90)
TxOnline	\$ (2.00)
Automation Fund	\$ (1.00)
Fund 006 Deposit	\$ 48.85

Jan 2017

Registration Fee	\$ 50.75
P&H Fee	\$ 5.00
Discount	\$ (1.25)
Total Fee	\$ 54.50
County Compensation	\$ (.25)
TxOnline	\$ (2.00)
TxDMV Compensation ²	\$ (.50)
Automation Fund	\$ (.50)
Fulfillment Vendor	\$ (.50)
Fund 006 Deposit	\$ 50.75

¹ Estimated percentage of total registration transactions (initial and renewal)

² Funding to support county equipment is included in the TxDMV Compensation

P&H Mail-In

Current

	8% ¹
Registration Fee	\$ 50.75
Automation Fee	\$ 1.00
Mail-In Fee	\$ 1.00
Total Fee	\$ 52.75
County Compensation	\$ (2.90)
Automation Fund	\$ (1.00)
Fund 006 Deposit	\$ 48.85

Jan 2017

Registration Fee	\$ 50.75
P&H Fee	\$ 5.00
Total Fee	\$ 55.75
County Compensation	\$ (2.30)
TxDMV Compensation ²	\$ (2.20)
Automation Fund	\$ (.50)
Fund 006 Deposit	\$ 50.75

¹ Estimated percentage of total registration transactions (initial and renewal)

² Funding to support county equipment is included in the TxDMV Compensation

P&H Limited Service, Inspection, and Dealer Deputy

Current

Jan 2017

	5% ¹
Registration Fee	\$ 50.75
Automation Fee	\$ 1.00
Limited Service Fee	\$ 1.00
Total Fee	\$ 52.75
County Compensation	\$ (1.90)
Deputy Compensation	\$ (1.00)
Automation Fund	\$ (1.00)
Fund 006 Deposit	\$ 48.85

Registration Fee	\$ 50.75
P&H Fee	\$ 5.00
Total Fee	\$ 55.75
County Compensation	\$ (1.30)
Deputy Compensation	\$ (1.00)
TxDMV Compensation ²	\$ (2.20)
Automation Fund	\$ (.50)
Fund 006 Deposit	\$ 50.75

¹ Percentage of total registration transactions (initial and renewals) processed by limited service deputy

² Funding to support county equipment is included in the TxDMV Compensation

P&H Full Service Deputy

Current

Jan 2017

	4% ¹
Registration Fee	\$ 50.75
Automation Fee	\$ 1.00
Full Service Deputy Fee	\$ 5.00
Total Fee	\$ 56.75
County Compensation	\$ (1.90)
Deputy Compensation	\$ (5.00)
Automation Fund	\$ (1.00)
Fund 006 Deposit	\$ 48.85

Registration Fee	\$ 50.75
P&H Fee	\$ 5.00
Convenience Fee	\$ 4.00
Total Fee	\$ 59.75
County Compensation	\$ (1.30)
Deputy Compensation	\$ (5.00)
TxDMV Compensation ²	\$ (2.20)
Automation Fund	\$ (.50)
Fund 006 Deposit	\$ 50.75

¹ Estimated percentage of total registration transactions (initial and renewal)

² Funding to support county equipment is included in the TxDMV Compensation

Performance Quality and Recognition Program



(Agenda Item 2.B.4)

Working Group Members

County	Name	TxDMV	Name
Anderson	Teri Garvey	VTR	Jeremiah Kuntz
Andrews	Robin Harper	VTR	William Diggs
Brazoria	Ro'Vin Garrett	VTR	Amber Wilson
Cass	Becky Fant	VTR	Jenna Gordon
Lubbock	Ronnie Keister	VTR	Tammera Parr-Lamb
Matagorda	Cristyn Hallmark	OGC	Aline Aucoin
Montgomery	Tammy McRae		
Tom Green	Becky Robles		
Williamson	Deborah Hunt		

Performance Quality Recognition Program Working Group Charge

The working group is charged with providing input on the development of a program and rules to recognize outstanding performance and efficiency in processing title and registration transactions in a county tax assessor-collector office.

Performance Quality Recognition Program

- ❑ County participation in the program is voluntary
- ❑ Flexibility for meeting criteria to account for small, medium and large counties
- ❑ Multiple levels of recognition
- ❑ Minimum criteria for baseline performance
- ❑ Additional criteria for higher levels of recognition

Minimum Recognition Level

□ Required Criteria

- Timely remits registration fee collections
- Timely remits motor vehicle sales tax and penalties
- Consistently applies statutes, rules, and policies governing motor vehicle transactions; and
- Maintains bonds as required by statute or administrative rules

Higher Recognition Level

□ **Required Criteria**

- Performs efficiently with low error rates
- Processes transactions in a timely fashion
- Has customer feedback programs; and
- Has fraud, waste and abuse awareness and prevention programs

□ **Optional Criteria**

- Implements cost-savings measures
- Has customer feedback metrics to measure customer satisfaction

Rule Specifics Recognition Program

□ **Due Date**

- October 31 of application year

□ **Program Requirements**

- Must be in office for full fiscal year to apply

□ **Evaluation Period**

- State Fiscal Year (September 1 - August 31)

□ **Term of Recognition**

- Term of office or one year after re-election, whichever is later.

Deputies



(Agenda Item 2.B.2)

Deputy Classifications

Full Service Deputy

Title, Registration (Initial and Renewal), Permits and other transactions

Dealer Deputy

Title, Registration (Initial and Renewal)

Limited Service Deputy

Registration Renewal only

Inspection Station Deputy

Registration Renewal only

Full Service Deputy Provisions

Compensation

Up to \$15 title / \$5 registration (initial and renewal) / \$5 temp permits (must publish fees)

Surety Bond Requirements

No less than \$100 thousand or more than \$2 million

Obligations

*Must be trained and deemed competent to perform services
Contract with county and TxDMV*

System Utilized

*Registration and Title System (RTS) workstation
State-issued equipment*

Dealer Deputy Provisions

Compensation

\$15 title / \$1 registration (initial and renewal)

Surety Bond Requirements

No less than \$100 thousand or more than \$2 million

Obligations

Must be trained and deemed competent to perform services

Other Requirements

Must be licensed dealer

System Utilized

webDEALER

Dealer provides computer and printer

Limited Service Deputy Provisions

Compensation

\$1 registration renewal

Surety Bond Requirements

No less than \$2,500 or more than \$1 million

Obligations

Must be trained and deemed competent to perform services

System Utilized

webSUB

Business provides computer and printer

Inspection Deputy Provisions

Compensation

\$1 registration renewal

Surety Bond Requirements

No less than \$2,500 or more than \$1 million

Obligations

Must be trained and deemed competent to perform services

Other Requirements

Must be licensed by DPS as inspection station

System

webSUB

Business provides computer and printer

Other Miscellaneous Provisions



Agenda Item 2.B.5

Rule Provisions

- ❑ Requires both parties to an even trade to be present to apply for title
- ❑ Allows for Texas Concealed Handgun License as acceptable identification for transactions requiring identification
- ❑ Makes various changes to implement legislative requirements from the 84th session

Questions



PROPOSED PUBLICATION OF AMENDMENTS TO 43 TAC SECTION 217.161, AND NEW SECTIONS 217.162-217.168, RELATING TO DEPUTIES

Description

This order proposes publication for comment of amendments to §217.161, and new §§217.162-217.168.

Background

Proposed amendments to Subchapter H govern the classification types, duties, and obligations of deputies; the type and amount of any bonds deputies may be required to post; and the fees that deputies are authorized to charge, as anticipated by Transportation Code, §520.0071.

- Defines and states roles for the following deputy types: Full Service, Limited Service, Inspection, and Dealer. Unique conditions for each type are set forth below:
 - Full Service – requires a three-party agreement between deputy, county and the department, which must include certain terms at a minimum, including cooperation with law enforcement, suspension of access to RTS if the deputy is the subject of certain criminal investigations, and audit rights for the county and the department; requires deputy to offer and provide titling and registration services to the general public and accept any application for registration, registration renewal, or title transfer that the county tax assessor-collector (TAC) would accept and process, unless limited by the county; and allows a TAC to impose additional conditions.
 - Limited Service - defined as a deputy authorized to accept and process registration renewals only, and outlines the requirements to serve. A limited service deputy may be authorized to provide services to the general public or only to member customers.
 - Inspection - an inspection station authorized to accept and process registration renewals like a limited service deputy; must maintain certification as an inspection station under Transportation Code, Ch. 548, and DPS rules. Establishes that for compensation, an inspection deputy is considered a limited service deputy.
 - Dealer - requires a dealer deputy to hold a valid general distinguishing number (GDN). Allows deputy to process titling and initial registration transactions upon transfer of ownership of motor vehicle by deputy, but prohibits deputy from providing titling or initial registration services to the general public. If the TAC authorizes deputy to provide registration renewal services, requires the deputy to offer such services to the general public. TAC may impose additional obligations.
- Requires all deputies to post a surety bond payable to the TAC (one bond per deputy for a county regardless of number of locations) valued between \$100,000 and \$2 million for a full service or dealer deputy, or between \$2,500 and \$1 million for a limited service or inspection deputy. A deputy that is an agency or subdivision of a governmental jurisdiction of the state is only required to post a bond if the TAC determines a bond is necessary.

- Sets deputy fee amounts by transaction type:
 - Title transactions - a full service deputy and dealer deputy may charge up to \$15 for a title transaction and retain the entire fee.
 - Registration transactions - full service deputy retains \$1 from processing and handling (P&H) fee and may charge \$4 convenience fee. Limited service and dealer deputies retain \$1 from P&H.
 - Temporary permit transactions - a full service deputy may retain entire P&H fee.
 - Collection rules - convenience fee is collected by full service deputy directly from the customer and is in addition to the P&H fee. Prohibits full service deputy from charging any other fee for a registration transaction. Clarifies that the fee limitations do not apply to other services a full service deputy offers (e.g., copying, faxing, etc.). Requires deputy to prominently post fees at each location and note that the services may be obtained from TAC without the additional fee.

Other Comments

There are no anticipated fiscal implications related to the proposed amendments and new sections.

If the proposed amendments and new sections are approved by the board, staff anticipates publication of the proposed amendments and new sections in the *Texas Register* on or about April 22, 2016. Comments on the proposed amendments and new sections will be accepted until 5:00 p.m. on May 23, 2016.

BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES

RESOLUTION APPROVING PUBLICATION OF PROPOSED AMENDMENTS
43 TAC SECTION 217.161, AND NEW SECTIONS 217.162-217.168,
RELATING TO DEPUTIES

The Board of the Texas Department of Motor Vehicles (board) finds it necessary to amend Chapter 217, Vehicle Titles and Registration: §217.161, Deputies; and propose new §217.162, Definitions; §217.163, Full Service Deputies; §217.164, Limited Service Deputies; §217.165, Inspection Deputies; §217.166, Dealer Deputies; §217.167, Bonding Requirements; and §217.168, Deputy Fee Amounts.

The preamble, proposed amendments, and proposed new sections are attached to this resolution as Exhibits A-B, and are incorporated by reference as though set forth verbatim in this resolution, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the board that the attached rules are authorized for publication in the *Texas Register* for the purpose of receiving public comment.

The department is directed to take the necessary steps to implement the actions authorized in this order pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Laura Ryan, Chair
Board of the Texas Department of Motor Vehicles

Recommended by:

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

Order Number: _____

Date Passed: April 7, 2016

Texas Department of Motor Vehicles
Chapter 217, Vehicle Titles and Registration

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1 Proposed Preamble

2 The Texas Department of Motor Vehicles (department) proposes
3 amendments to §217.161, Deputies. The department also proposes
4 new sections §217.162, Definitions; §217.163, Full Service
5 Deputies; §217.164, Limited Service Deputies; §217.165,
6 Inspection Deputies; §217.166, Dealer Deputies; §217.167,
7 Bonding Requirements; and §217.168, Deputy Fee Amounts.

8

9 EXPLANATION OF PROPOSED AMENDMENTS AND NEW SECTIONS

10 House Bill 2741 and House Bill 2202, 83rd Legislature, Regular
11 Session, 2013, added Transportation Code, §520.0071 and repealed
12 Transportation Code, §§520.008, 520.009, 520.0091, and 520.0092.
13 As a result, the legislature directed the department to
14 prescribe rules governing deputies performing titling and
15 registration duties. The legislation authorized deputies to
16 continue to perform services under §§520.008, 520.009, 520.0091,
17 and 520.0092 until the effective date of the rules adopted by
18 the board of the Texas Department of Motor Vehicles (board)
19 regarding the types of deputies authorized to perform titling
20 and registration duties under §520.0071. The proposed
21 amendments and new sections are intended to fill the void
22 created by the repeal of the former Transportation Code sections
23 describing deputies and their duties and obligations, and to

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1 implement the legislative directive of House Bills 2202 and
2 2741.

3

4 As required by Transportation Code, §520.0071, the proposed
5 rules establish the classification types of deputies performing
6 titling and registration duties, the duties and obligations of
7 deputies, the type and amount of any bonds that may be required
8 by a county tax assessor-collector for deputies to perform
9 titling and registration duties, and the fees that may be
10 charged or retained by deputies. The rules authorize deputies
11 to continue to operate under the repealed statutes, as
12 prescribed by current §217.161, through December 31, 2016.
13 Beginning January 1, 2017, all deputies must be deputized in
14 accordance with and comply with Subchapter H in full.

15

16 The purpose of these proposed rules is to support the
17 department's mission to serve, protect, and advance the citizens
18 and industries in this state with quality motor vehicle related
19 services. To accomplish this mission, the department proposes
20 rules that will ensure accountability and transparency in the
21 provision of services, combat fraud, streamline and standardize
22 processes across the state, set standards to enhance consumer
23 confidence, allow additional funding to go toward

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1 transportation, establish structures that allow for cost-savings
2 in the future, and modernize services to bring them in line with
3 the needs of today's and tomorrow's consumers.

4

5 The board initially proposed rules as authorized by
6 Transportation Code, §520.0071 on May 23, 2014, which were
7 published in the *Texas Register* (39 TexReg 3974). Due to the
8 great number of comments from the public expressing concern
9 about the proposed rules, the board adopted only one rule,
10 §217.111, which was published in the October 3, 2014, issue of
11 the *Texas Register* (39 TexReg 7962). New §217.111 maintained
12 the status quo for deputies that existed in statute, making
13 clear that existing and newly appointed deputies would continue
14 to provide the services authorized under the former statutory
15 provisions of Transportation Code, §§520.008, 520.009, 520.0091,
16 and 520.0092.

17

18 In addition, as a result of a rule review conducted pursuant to
19 Government Code, §2001.039, §217.111 was renumbered as §217.161
20 with no changes to the text.

21

22 In concert with this proposal, but in a separate proposal, the
23 department is proposing rules related to the processing and

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1 handling fee authorized by Transportation Code, §502.1911. The
2 proposed rules related to the processing and handling fee
3 reference the fee amounts that may be retained by deputies.
4

5 SECTION BY SECTION ANALYSIS

6 The proposed amendments to §217.161, Deputies, change the
7 section title to "Purpose and Scope," and state the intention to
8 prescribe the classification types, duties, and obligations of
9 deputies, the type and amount of bonds that deputies may be
10 required to post, and the additional fees deputies may be
11 authorized to charge, pursuant to Transportation Code,
12 §520.0071.
13

14 Proposed new §217.162, Definitions, defines the different types
15 of deputies and provides other definitions to clarify language
16 in the new sections.
17

18 Proposed new §217.163, Full Service Deputies, prescribes the
19 duties, obligations, and requirements of persons authorized to
20 offer vehicle registration, registration renewal, and titling
21 services in the same manner as a county tax assessor-collector.
22 Full service deputies offer an alternative to obtaining titling
23 and registration services from the county tax assessor-

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1 collectors. This section provides that the county tax assessor-
2 collector, with approval of the commissioners court, may
3 deputize a person as a full service deputy, and requires full
4 service deputies to offer and provide titling and registration
5 services to the general public. This section also requires full
6 service deputies to enter into a three-party agreement with the
7 department and the county in which the full service deputy
8 provides services beginning January 1, 2017. The department
9 anticipates negotiating these agreements with the counties and
10 existing full service deputies after the effective date of the
11 rule, but prior to January 1, 2017, so that the agreements may
12 be finalized by January 1, 2017. The agreement will outline the
13 terms and conditions of the full service deputy's access to and
14 use of the department's registration and titling system. The
15 agreement may contain additional terms and conditions specified
16 by the county, and must be approved by the department. Key
17 terms and conditions that will be reflected in the agreement
18 include: (1) the full service deputy's agreement to cooperate
19 with law enforcement in any investigation; (2) the understanding
20 that the department will suspend the full service deputy's
21 access to the registration and title system if the deputy or an
22 employee of the deputy is the subject of a criminal
23 investigation involving a crime of moral turpitude (generally, a

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1 crime involving conduct that is considered contrary to community
2 standards of justice, honesty, ethics or good morals, including
3 crimes involving dishonesty, fraud, deceit, misrepresentation,
4 deliberate violence); and (3) certain audit rights for the
5 county and the department to enable the county and department to
6 ensure inventory is properly accounted for and to allow the
7 department to determine if the fees being charged and collected
8 are in compliance with rule and statute, among other contractual
9 terms set forth in this rule.

10

11 Proposed new §217.164, Limited Service Deputies, prescribes the
12 duties, obligations and requirements of persons authorized to
13 accept and process registration renewals, but who do not offer
14 titling services. This section provides that the county tax
15 assessor-collector, with approval of the commissioners court,
16 may deputize a person as a limited service deputy, to provide
17 registration renewals to the general public; for example, a
18 supermarket business counter where customers may pay utility
19 bills, obtain fishing licenses, or buy concert tickets may also
20 provide registration renewal services. Alternately, limited
21 service deputies may be authorized to provide registration
22 renewal services restricted to itself or its customers only; for
23 example, a business or an agency or subdivision of a

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1 governmental jurisdiction of the State of Texas that maintains a
2 large fleet of vehicles may be authorized to process its own
3 registrations. The scope of any such restriction must be
4 determined when the limited service deputy is authorized.

5
6 Proposed new §217.165, Inspection Deputies, provides that the
7 county tax assessor-collector, with approval of the
8 commissioners court, may deputize a person as an inspection
9 deputy to accept and process registration renewals as a limited
10 service deputy, with additional requirements and limitations.

11
12 Proposed new §217.166, Dealer Deputies, provides that the county
13 tax assessor-collector, with approval of the commissioners
14 court, may deputize a motor vehicle dealer as a dealer deputy to
15 provide motor vehicle titling and registration services, with
16 limitations.

17
18 Proposed new §217.167, Bonding Requirements, provides that the
19 county tax assessor-collector shall determine the amount of the
20 surety bond that a deputy must post, subject to the minimum and
21 maximum limits provided by this section. For full service
22 deputies and dealer deputies, the minimum bond amount is
23 \$100,000 and the maximum is \$2,000,000. For limited service

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1 deputies and inspection deputies, the minimum bond amount is
2 \$2,500 and the maximum is \$1,000,000. This section also exempts
3 an agency or subdivision of a governmental jurisdiction of the
4 State of Texas from the bonding requirement, unless the county
5 tax assessor-collector determines that a bond is appropriate.
6 *The proposed minimum and maximum limits of the bonds may change*
7 *depending upon comments received after publication of these*
8 *proposed rules.*

9
10 Proposed new §217.168, Deputy Fee Amounts, provides that a
11 county tax assessor-collector may allow a deputy to charge or
12 retain certain fee amounts for providing the titling or
13 registration service according to the type of deputy and
14 transaction type. Proposed new §217.168 provides for some fees
15 to be charged and retained by the deputy and other fees to be
16 retained from the processing and handling fee established in
17 proposed new §217.183 (part of a separate proposal).
18 Specifically, proposed new §217.168 authorizes full service
19 deputies and dealer deputies to charge customers up to \$15 for
20 title transactions and retain that entire fee amount. Proposed
21 new §217.168 authorizes all deputies to retain \$1 from the
22 processing and handling fee for each registration and
23 registration renewal transaction. In addition, a full service

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1 deputy may charge a \$4 convenience fee for each registration or
2 registration renewal transaction and retain that entire fee
3 amount. The convenience fee is subject to exclusions identified
4 in proposed new §217.184 (part of a separate proposal).
5 Proposed §217.168 also clarifies that the proposed new section
6 does not limit a full service deputy's ability to charge and
7 collect fees for other services provided by the full service
8 deputy that are related to titles or registrations, but are not
9 transactions that must be performed through the department's
10 automated vehicle registration and title system. Proposed new
11 §217.168 also requires full service deputies to prominently post
12 a fee list at the physical location and on the full service
13 deputy's website. Lastly, proposed new §217.168 clarifies that
14 this section does not preclude or limit the ability of a county
15 to provide additional compensation to a deputy from county
16 funds. *The proposed fee amounts may change depending upon*
17 *comments received after publication of these proposed rules.*

18

19 FISCAL NOTE

20 Linda M. Flores, Chief Financial Officer, has determined that
21 for each of the first five years the amendments and new sections
22 as proposed are in effect, there will be no foreseeable economic
23 implications relating to costs or revenues of the state or local

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1 governments as a result of enforcing or administering the
2 amendments and new sections. If a tax assessor-collector elects
3 not to authorize deputies in the county, these rules will have
4 no impact on the county. If a tax assessor-collector chooses to
5 authorize only limited service and/or dealer deputies in the
6 county, there are no foreseeable economic implications relating
7 to costs or revenues of local governments, specifically
8 counties, as the proposed compensation for such deputies is
9 consistent with current statutorily authorized compensation for
10 the deputies. As such, there is no anticipated change in the
11 number of transactions processed through deputies after the
12 effective date of these rules. Lastly, if a tax assessor-
13 collector chooses to authorize full service deputies in the
14 county, there are no foreseeable economic implications to the
15 counties. The department is aware that at present, only six
16 counties authorize full service deputies to provide titling and
17 registration services. Some of these counties have informed the
18 department that if the deputies were to cease providing services
19 in the county, the counties would be required to absorb an
20 increased number of title and registration transactions, hire
21 additional employees, and potentially increase office space.
22 However, the vast majority of counties provide services to the
23 motoring public without utilizing full service deputies. In

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1 addition, the compensation proposed for full service deputies,
2 as more thoroughly discussed below, is consistent with the
3 charges previously authorized by statute and is sufficient to
4 cover the costs to process the transactions based on data
5 provided. Currently, there is no specific authorized amount for
6 deputies to charge for titling services, whereas this proposed
7 rule specifically authorizes a \$15 convenience fee. As such,
8 there should be no significant change in the number of customers
9 a full service deputy serves and, therefore, no foreseeable
10 impact on the counties.

11

12 Jeremiah Kuntz, Director of the Vehicle Titles and Registration
13 Division, has determined that there will be no anticipated
14 impact on local economies or overall employment as a result of
15 enforcing or administering the amendments and new sections.

16

17 PUBLIC BENEFIT AND COST

18 Mr. Kuntz has also determined that for each year of the first
19 five years the proposed amendments and new sections are in
20 effect, the public benefit anticipated as a result of enforcing
21 or administering the sections will be the standardization of
22 fees for delivering titling and registration services to the
23 public when the customer chooses a deputy for such services; and

1 an increase in consumer confidence in the services provided by
2 deputies by ensuring appropriate oversight of deputies by the
3 counties and the department. Mr. Kuntz has also determined that
4 for each of the first five years the proposed amendments and new
5 sections are in effect, there are no anticipated significant
6 economic costs for persons required to comply with the
7 amendments and new sections as proposed. The cost of the
8 convenience fee that a full service deputy may charge for
9 registration is consistent with the amount currently allowed by
10 statute, and the public may choose to avoid this fee by
11 performing transactions online or dealing directly with a county
12 tax assessor-collector or limited service deputy.

13

14 SMALL AND MICRO-BUSINESS IMPACT ASSESSMENT

15 Under the provisions of Government Code, Chapter 2006, a state
16 agency must prepare an economic impact statement and a
17 regulatory flexibility analysis for a rule that may have an
18 adverse economic effect on small businesses and micro-
19 businesses. The department has been alerted that some or all of
20 the 30 full service deputies in the state fit the definition of
21 small or micro-businesses. For other categories of deputies
22 potentially affected by the rules, the department has determined
23 that either they are not small or micro-businesses, or there

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1 will be no adverse impact to these entities from the proposed
2 rules.

3

4 Although the proposed rules establish specific compensation
5 amounts for full service deputies, the amounts are consistent
6 with what statute authorized the deputies to charge for
7 registration-related transactions and what some full service
8 deputies actually charge for title transactions, based on data
9 reviewed and as discussed in more detail below. The department
10 has therefore determined that there will be no adverse impact to
11 small or micro-businesses operating in compliance with statute
12 prior to these proposed rules. Accordingly, the department has
13 not prepared a regulatory flexibility analysis under Government
14 Code, Chapter 2006.

15

16 The department set the amount a full service deputy may charge
17 for title transactions at an amount similar to what full service
18 deputies currently charge, according to the data provided.

19 Currently, there is no specific authorized amount for deputies
20 to charge for titling services, whereas this proposed rule
21 specifically authorizes a \$15 convenience fee. As such, the
22 department does not anticipate an adverse impact due to the full
23 service deputy compensation amount for title transactions.

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1

2 The fee structure proposed in the rule places the full service
3 deputy compensation for registration and registration renewal
4 transactions at a rate equal to what these deputies were allowed
5 to charge under former Transportation Code, §520.009. As such,
6 the impact will be neutral to positive, in that deputies across
7 the state will operate on a level playing field and with a clear
8 understanding of their duties and obligations and the rates they
9 may charge. To the extent any full service deputies have been
10 charging more than what was allowed by statute, any adverse
11 economic impact would not be a result of the rule, since the
12 rule establishes a fee that is the same as was allowed by
13 statute.

14

15 The proposed rules do not impact any fees a full service deputy
16 may charge for any service that is not performed through the
17 department's automated registration and titling system. For
18 example, the department is aware that full service deputies
19 often offer a wide variety of services in addition to processing
20 title and registration transactions -- services including
21 notary, insurance, title pick-up and delivery to and from
22 dealerships, surety bonds, and other services and products to
23 ensure a sufficient volume of business to generate an adequate

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1 return on investment. The proposed amendment and new rules do
2 not impact the fees that may be charged for any such service or
3 product.

4

5 In developing the proposed fee amounts, the department
6 considered information gathered over the past two years from
7 multiple meetings with stakeholders, including county tax
8 assessor-collectors, full and limited service deputies and their
9 representatives, representatives of motor vehicle dealers, and
10 state government leadership. The department also contracted
11 with Texas A&M Transportation Institute (TTI) to conduct
12 research regarding costs associated with processing vehicle
13 registration and title transactions. In conducting its
14 research, TTI requested information from, and met with and
15 observed, full service deputies to determine costs associated
16 with processing registration and title transactions. TTI's
17 research noted that full service deputy operations are currently
18 based on a business model that includes profit. TTI also
19 determined that the estimated cost for full service deputies to
20 process vehicle registration and title transactions using an
21 average transaction time is \$4.06 for walk-in registration
22 transactions and \$12.88 for title transactions. The amount that
23 full service deputies are authorized to charge and retain for

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1 title and registration transactions under the proposed rules is
2 more than the estimated cost of those transactions, and thus
3 should be sufficient to account for fluctuations across the
4 state. The TTI report, available on the department's website,
5 is the most recent and comprehensive collection and analysis of
6 data available to the department regarding costs associated with
7 processing registration and title transactions. The TTI report
8 is available on the department's website at
9 [http://www.txdmv.gov/reports-and-data/doc_download/5121-](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-transactions-in-texas-counties)
10 [estimating-the-cost-to-process-vehicle-registration-and-title-](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-transactions-in-texas-counties)
11 [transactions-in-texas-counties](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-transactions-in-texas-counties) and is hereby incorporated by
12 reference into this preamble.

13

14 Lastly, former Transportation Code, §520.0091 required full
15 service deputies to post a bond payable to the county tax
16 assessor-collector in an amount determined by the assessor-
17 collector. The proposed new rule keeps this bond requirement,
18 but establishes a minimum and maximum amount that is consistent
19 with bond amounts previously required of full service deputies
20 and deemed sufficient by county tax assessor-collectors. The
21 bond amounts previously considered in an earlier draft of the
22 proposed rules was based on a percentage of the deputy's net
23 collections of motor vehicle sales and use taxes and motor

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1 vehicle registration and title fees during a calendar year.
2 During a stakeholder meeting, full service deputies expressed
3 concern that such bond amounts would create substantial hardship
4 for the businesses. After due consideration and in response to
5 these concerns, the department changed the proposed required
6 bond amounts and believes the proposed amounts will not result
7 in a negative fiscal impact to the deputies. This conclusion
8 was based on the department's review of known current bond
9 amounts of existing deputies.

10

11 The amendments to the Transportation Code by House Bill 2741 and
12 House Bill 2202 were specifically intended by the Texas
13 Legislature to allow the department to prescribe the type and
14 amounts of bonds the deputies must obtain and the fees a deputy
15 may charge or retain. To the extent any of the small or micro-
16 businesses who operate as full service deputies contend there is
17 an adverse economic impact, an alternative regulatory method
18 could not achieve the purpose of the proposed rule while
19 minimizing any adverse effects and thus would not be consistent
20 with the health, safety, and environmental and economic welfare
21 of the state. There are no new substantive compliance or
22 reporting requirements as a result of the proposed rules, there
23 are no performance standards or design standards required of

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1 small businesses or micro-businesses as a result of the proposed
2 rules, and if businesses were exempt from any provision of the
3 proposed rules, those businesses would not have authority to
4 serve as full service deputies. The legislature mandated that
5 the department prescribe the classification types of deputies
6 and the duties and obligations of those deputies. As such, the
7 authority to serve as a deputy is through compliance with the
8 department's rules establishing such deputy. Any exemption from
9 these rules would render a business ineligible from operating as
10 a deputy.

11

12 TAKINGS IMPACT ASSESSMENT

13 The department has determined that this proposal affects no
14 private real property interests and that this proposal does not
15 restrict or limit an owner's right to property that would
16 otherwise exist in the absence of government action, and so does
17 not constitute a taking or require a takings impact assessment
18 under Government Code, §2007.043.

19

20 SUBMITTAL OF COMMENTS

21 Written comments on the proposed amendments and new sections may
22 be submitted to David D. Duncan, General Counsel, Texas
23 Department of Motor Vehicles, 4000 Jackson Avenue, Building 1,

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1 Austin, Texas 78731, or by email to *rules@txdmv.gov*. If any
2 commenter submits written comments disagreeing with the
3 department's position regarding economic impact, the department
4 strongly recommends including documentation to support any
5 stated negative financial, revenue, or cost implications. Such
6 documentation will aid in the board's decision-making process
7 and could include detailed financial statements, business plans,
8 budgets, or other items necessary to demonstrate the stated
9 impact. If a commenter considers any such information
10 confidential, the information should be clearly marked
11 "CONFIDENTIAL." If the department receives a request for this
12 information, the department will comply with the requirements of
13 the Public Information Act, Chapter 552 of the Texas Government
14 Code, and request a ruling from the Office of the Attorney
15 General for any information marked "CONFIDENTIAL."

16

17 The deadline for receipt of comments is 5:00 p.m. on May 23,
18 2016.

19

20 STATUTORY AUTHORITY

21 The amendments and new sections are proposed under
22 Transportation Code, §1002.001, which provides the board with
23 the authority to adopt rules necessary and appropriate to

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1 implement the powers and the duties of the department under the
2 Transportation Code; Transportation Code, §501.0041, which
3 provides the department may adopt rules to administer
4 Transportation Code, Chapter 501, Certificate of Title Act;
5 Transportation Code, §502.0021, which provides the department
6 may adopt rules to administer Transportation Code, Chapter 502,
7 Registration of Vehicles; Transportation Code, §520.003, which
8 provides the department may adopt rules to administer Chapter
9 520, Miscellaneous Provisions; and more specifically,
10 Transportation Code, §520.004, which provides the department by
11 rule shall establish standards for uniformity and service
12 quality for counties and dealers; and Transportation Code,
13 §520.0071, which provides the board by rule shall prescribe the
14 classification types of deputies performing titling and
15 registration duties, the duties and obligations of deputies, the
16 type and amount of any bonds that may be required by a county
17 tax assessor-collector for a deputy to perform titling and
18 registration duties, and the fees that may be charged or
19 retained by deputies.

20

21 CROSS REFERENCE TO STATUTE

22 Finance Code, §348.005 and §353.006; and Transportation Code,
23 §§501.076, 502.191, 502.1911, 502.197, and 520.007.

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SUBCHAPTER H. DEPUTIES

§217.161. Purpose and Scope~~[Deputies]~~.

Pursuant to Transportation Code, §520.0071, a county tax
assessor-collector, with the approval of the commissioners court
of the county, may appoint deputies to perform designated motor
vehicle titling and registration services. This subchapter
prescribes the classification types, duties, and obligations of
deputies; the type and amount of any bonds that deputies may be
required to post; and the fees that deputies may be authorized
to charge or retain. A deputy appointed under Transportation
Code, §520.0071, on or before December 31, 2016, may
continue~~[(a) A county assessor-collector with the approval of~~
~~the commissioners court of the county may deputize a person]~~ to
perform services authorized under former Transportation Code,
§§520.008, 520.009, 520.0091, and 520.0092, as amended by Acts
2011, 82nd Leg., ch. 1296 (H.B. 2357)~~[, effective January 1,~~
~~2012]~~. Beginning January 1, 2017, all deputies must be deputized
in accordance with and comply with the provisions of this
subchapter.

~~[(b) A deputy appointed under Transportation Code,~~
~~§520.0091, may perform the services authorized under former~~
~~Transportation Code, §§520.008, 520,009, 520.0091, and 520.0092,~~
~~as amended by Acts 2011, 82nd Leg., ch. 1296 (H.B. 2357),~~

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1 ~~effective January 1, 2012.]~~

2

3 §217.162. Definitions.

4 The following words and terms, when used in this subchapter,
5 shall have the following meanings unless the context clearly
6 indicates otherwise.

7 (1) Board--Board of the Texas Department of Motor
8 Vehicles.

9 (2) Dealer deputy--A motor vehicle dealer, as defined
10 by Transportation Code, §503.001(4), who is deputized to process
11 motor vehicle titling and registration transactions, and who may
12 be authorized to provide registration renewal services. Dealer
13 deputy includes an individual, who is not himself or herself
14 appointed as a deputy, employed, hired, or otherwise engaged by
15 the dealer deputy to serve as the deputy's agent in performing
16 motor vehicle titling, registration or registration renewal
17 services.

18 (3) Department--Texas Department of Motor Vehicles.

19 (4) Deputy--A person appointed to serve in an official
20 government capacity to perform, under the provisions of this
21 subchapter, designated motor vehicle titling, registration, and
22 registration renewal services as a deputy assessor-collector.

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1 The term "deputy" does not include an employee of a county tax
2 assessor-collector.

3 (5) Full service deputy--A deputy appointed to accept
4 and process applications for motor vehicle title transfers and
5 initial registrations, and process registration renewals and
6 other transactions related to titling and registration. Full
7 service deputy includes an individual, who is not himself or
8 herself appointed as a deputy, employed, hired, or otherwise
9 engaged by the full service deputy to serve as the deputy's
10 agent in performing motor vehicle titling, registration or
11 registration renewal services.

12 (6) Inspection deputy--A limited service deputy who is
13 also a certified inspection station providing motor vehicle
14 inspection services under Transportation Code, Chapter 548.

15 (7) Limited service deputy--A deputy appointed to
16 accept and process motor vehicle registration renewals. Limited
17 service deputy includes an individual, who is not himself or
18 herself appointed as a deputy, employed, hired, or otherwise
19 engaged by the limited service deputy to serve as the deputy's
20 agent in performing motor vehicle registration renewals.

21 (8) Person--An individual, business organization,
22 governmental subdivision or agency, or any other legal entity.

23

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1 §217.163. Full Service Deputies.

2 (a) A county tax assessor-collector, with the approval of
3 the commissioners court of the county, may deputize a person to
4 act as a full service deputy in the same manner and with the
5 same authority as though done in the office of the county tax
6 assessor-collector, subject to the criteria and limitations of
7 this section, including entering into the agreement specified in
8 subsection (j) of this section.

9 (b) A full service deputy must offer and provide titling
10 and registration services to the general public, and must accept
11 any application for registration, registration renewal, or title
12 transfer that the county tax assessor-collector would accept and
13 process, unless otherwise limited by the county.

14 (c) The county tax assessor-collector may impose reasonable
15 obligations or requirements upon a full service deputy in
16 addition to those set forth in this section. The additional
17 obligations or requirements must be reflected in the agreement
18 specified in subsection (j) of this section.

19 (d) To be eligible to serve as a full service deputy, a
20 person must be trained, as approved by the county tax assessor-
21 collector, to perform motor vehicle titling, registration, and
22 registration renewal services, or otherwise be deemed competent
23 by the county tax assessor-collector to perform such services.

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1 (e) To be eligible to serve as a full service deputy, a
2 person must post a bond payable to the county tax assessor-
3 collector consistent with §217.167 of this title (relating to
4 Bonding Requirements) with the bond conditioned on the person's
5 proper accounting and remittance of the fees the person
6 collects.

7 (f) A person applying to be a full service deputy must
8 complete the application process as specified by the county tax
9 assessor-collector. The application process may include
10 satisfaction of any bonding requirements and completion of any
11 additional required documentation or training of the deputy
12 before the processing of any title, registration, or
13 registration renewal applications may occur.

14 (g) A full service deputy must provide the physical address
15 at which services will be offered, the mailing address, the
16 phone number, and the hours of service. This information may be
17 published on the department's website and may be published by
18 the county if the county publishes a list of deputy locations.

19 (h) A full service deputy shall keep a separate accounting
20 of the fees collected and remitted to the county and a record of
21 daily receipts.

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1 (i) A full service deputy may charge or retain fees
2 consistent with the provisions of §217.168 of this title
3 (relating to Deputy Fee Amounts).

4 (j) Beginning January 1, 2017, a person may not serve as a
5 full service deputy unless the person has entered into and
6 executed an agreement with the county and the department. An
7 agreement described by this subsection is required for each
8 location at which the full service deputy operates. The
9 agreement will have an effective date no earlier than January 1,
10 2017, and will outline the terms and conditions of the full
11 service deputy's access to and use of the department's
12 registration and titling system. The agreement must be approved
13 by the department, and must include, at a minimum, the following
14 terms and conditions:

15 (1) The full service deputy must identify all owners,
16 regardless of ownership percentage, including contact
17 information, and must notify the county and the department of
18 any change in ownership within 30 days of the change.

19 (2) The full service deputy must identify all
20 personnel who will access the registration and titling system.
21 If an individual who has been given access to the registration
22 and titling system is no longer associated with the full service
23 deputy, the full service deputy must notify the county and

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1 department in order to terminate that individual's access. The
2 full service deputy must request access for new or additional
3 personnel in writing to the county and department.

4 (3) The full service deputy agrees to cooperate with
5 any investigation by law enforcement.

6 (4) If the full service deputy is the subject of a
7 criminal investigation involving a crime of moral turpitude, the
8 full service deputy's access to the registration and titling
9 system will be suspended until such time as the investigation
10 has concluded and the full service deputy is cleared of any
11 allegations or upon the county's written request to the
12 department, but only if the department approves the request.

13 (5) A full service deputy must reject any transaction
14 that appears irregular on its face and report any such
15 transaction to the county and the department within 72 hours of
16 presentation of the transaction. The full service deputy must
17 cooperate with the county's or department's reasonable requests
18 for information related to any irregular transaction.

19 (6) The county must conduct an inventory of license
20 plates, secure paper, and any other accountable items provided
21 to the full service deputy at least once per month and provide a
22 copy of the inventory report to the department within 30 days of
23 the report's completion.

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1 (7) The full service deputy understands and agrees
2 that the department may conduct an inventory of state assets and
3 accountable items provided by the state via the county.

4 (8) The full service deputy understands and agrees
5 that the department may conduct an audit of the full service
6 deputy's operations. The full service deputy must maintain and
7 retain all documentation pertaining to operations as a full
8 service deputy for a period of four years following the
9 transaction date and provide the department with prompt access
10 to requested records during normal business hours.

11 (9) The full service deputy must make its audited
12 financial statement available to the department for review only
13 on request.

14 (10) The agreement must be for an initial term of five
15 years, and may be renewed for additional five-year periods.

16 (11) The agreement may be terminated for cause by the
17 county or the department at any time. Cause for termination
18 includes violation of any term of the agreement or any
19 department rule, including, but not limited to, Chapter 217,
20 Subchapters H and I. The agreement may be terminated for
21 convenience by the full service deputy or the county on 30 days
22 written notice to the other two parties.

23

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1 §217.164. Limited Service Deputies.

2 (a) A county tax assessor-collector, with the approval of
3 the commissioners court of the county, may deputize a person to
4 act as a limited service deputy. A limited service deputy may
5 only process registration renewals, except as limited by this
6 section, and may not prepare or accept an application for title
7 transfer or initial registration.

8 (b) A limited service deputy offering registration renewal
9 services to the general public must accept and process any
10 proper application for registration renewal that the county tax
11 assessor-collector would accept and process.

12 (c) The county tax assessor-collector may impose reasonable
13 obligations or requirements upon a limited service deputy in
14 addition to those set forth in this section. The county tax
15 assessor-collector may, at the time of deputation or upon
16 renewal of deputation, impose specified restrictions or
17 limitations on a limited service deputy's authority to provide
18 registration renewal services.

19 (d) A limited service deputy may be authorized by the
20 county tax assessor-collector to provide registration renewal
21 services only for the members, officers, employees, affiliates
22 and customers of the deputy, and not to the public generally.
23 If a limited service deputy does not provide services to the

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1 general public, the scope of the deputy's authority to provide
2 registration renewal services to itself and its members,
3 officers, employees, affiliates, and customers must be defined
4 by the county tax assessor-collector as part of the
5 authorization to act as a limited service deputy.

6 (e) To be eligible to serve as a limited service deputy, a
7 person must be trained to accept and process registration
8 renewals, as approved by the county tax assessor-collector, or
9 otherwise be deemed competent by the county tax assessor-
10 collector to perform such services.

11 (f) To be eligible to serve as a limited service deputy, a
12 person must post a bond payable to the county tax assessor-
13 collector consistent with §217.167 of this title (relating to
14 Bonding Requirements) with the bond conditioned on the person's
15 proper accounting and remittance of the fees the person
16 collects.

17 (g) A person applying to be a limited service deputy must
18 complete the application process as specified by the county tax
19 assessor-collector. The application process may include
20 satisfaction of any bonding requirements and completion of any
21 additional required documentation or training of the deputy
22 before the processing of any registration renewals may occur.

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1 (h) If a limited service deputy offers services to the
2 general public, the deputy must provide the physical address at
3 which services will be offered, the mailing address, the phone
4 number, and the hours of service. This information may be
5 published on the department's website and may be published by
6 the county if the county publishes a list of deputy locations.

7 (i) A limited service deputy shall keep a separate
8 accounting of the fees collected and remitted to the county, and
9 a record of daily receipts.

10 (j) A limited service deputy may retain fees consistent
11 with the provisions of §217.168 of this title (relating to
12 Deputy Fee Amounts).

13

14 §217.165. Inspection Deputies.

15 (a) A county tax assessor-collector, with the approval of
16 the commissioners court of the county, may deputize a person to
17 act as an inspection deputy. An inspection deputy must meet all
18 of the requirements of a limited service deputy, as outlined in
19 section 217.164 of this title (relating to Limited Service
20 Deputies), and additional requirements as follows:

21 (1) an inspection deputy must maintain current
22 certification as an inspection station under Transportation

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1 Code, Chapter 548, and rules adopted by the Texas Department of
2 Public Safety regarding inspection stations; and

3 (2) any additional requirements of the county tax
4 assessor-collector.

5 (b) An inspection deputy is considered a limited service
6 deputy for compensation purposes, and may retain fees consistent
7 with the provisions of §217.168(c)(2) of this title (relating to
8 Deputy Fee Amounts).

9

10 §217.166. Dealer Deputies.

11 (a) A county tax assessor-collector, with the approval of
12 the commissioners court of the county, may deputize a motor
13 vehicle dealer to act as a dealer deputy to provide motor
14 vehicle titling and registration services in the same manner and
15 with the same authority as though done in the office of the
16 county tax assessor-collector, except as limited by this
17 section.

18 (b) A dealer deputy must hold a valid general
19 distinguishing number (GDN) under Transportation Code, Chapter
20 503, Subchapter B, and may act as a dealer deputy only for a
21 type of motor vehicle for which the dealer holds a GDN. A
22 dealer may not continue to act as a dealer deputy if the GDN is
23 cancelled or suspended.

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1 (c) A county tax assessor-collector may impose reasonable
2 obligations or requirements upon a dealer deputy in addition to
3 those set forth in this section. The county tax assessor-
4 collector may, at the time of deputation or upon renewal of
5 deputation, impose specified restrictions or limitations on a
6 dealer deputy's authority to provide certain titling or
7 registration services.

8 (d) Upon the transfer of ownership of motor vehicles
9 purchased, sold or exchanged by the dealer deputy, the dealer
10 deputy may process titling transactions in the same manner and
11 with the same authority as though done in the office of the
12 county tax assessor-collector. The dealer deputy may not
13 otherwise provide titling services to the general public.

14 (e) Upon the transfer of ownership of a motor vehicle
15 purchased, sold or exchanged by the dealer deputy, the dealer
16 deputy may process initial registration transactions in the same
17 manner and with the same authority as though done in the office
18 of the county tax assessor-collector. The dealer deputy may not
19 otherwise offer initial registration services to the general
20 public.

21 (f) The county tax assessor-collector may authorize a
22 dealer deputy to provide motor vehicle registration renewal
23 services. A dealer deputy offering registration renewal

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1 services must offer such services to the general public, and
2 must accept and process any proper application for registration
3 renewal that the county tax assessor-collector would accept and
4 process.

5 (g) To be eligible to serve as a dealer deputy, a person
6 must be trained to perform motor vehicle titling and
7 registration services, as approved by the county tax assessor-
8 collector, or otherwise be deemed competent by the county tax
9 assessor-collector to perform such services.

10 (h) To be eligible to serve as a dealer deputy, a person
11 must post a bond payable to the county tax assessor-collector
12 consistent with §217.167 of this title (relating to Bonding
13 Requirements) with the bond conditioned on the person's proper
14 accounting and remittance of the fees the person collects.

15 (i) A person applying to be a dealer deputy must complete
16 the application process as specified by the county tax assessor-
17 collector. The application process may include satisfaction of
18 any bonding requirements and completion of any additional
19 required documentation or training of the deputy before the
20 processing of any title or registration transactions may occur.

21 (j) If a dealer deputy offers registration renewal services
22 to the general public, the deputy must provide the physical
23 address at which services will be offered, the mailing address,

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1 the phone number, and the hours of service. This information
2 may be published on the department's website and may be
3 published by the county if the county publishes a list of deputy
4 locations.

5 (k) A dealer deputy shall keep a separate accounting of the
6 fees collected and remitted to the county, and a record of daily
7 receipts.

8 (l) A dealer deputy may charge or retain fees consistent
9 with the provisions of §217.168 of this title (relating to
10 Deputy Fee Amounts).

11 (m) This section does not prevent a county tax assessor-
12 collector from deputizing a dealer as a full service deputy
13 under §217.163 of this title (relating to Full Service
14 Deputies), a limited service deputy under §217.164 of this title
15 (relating to Limited Service Deputies), or an inspection deputy
16 under §217.165 of this title (relating to Inspection Deputies)
17 instead of a dealer deputy under this section.

18

19 §217.167. Bonding Requirements.

20 (a) A deputy appointed under this subchapter shall post a
21 surety bond payable to the county tax assessor-collector.

22 (b) A deputy is required to post a single bond for a county
23 in which the deputy performs titling, registration, or

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1 registration renewal services, regardless of the number of
2 locations in that county from which that deputy may provide
3 these services.

4 (c) A full service deputy or dealer deputy must post a bond
5 in an amount between \$100,000 and \$2,000,000, as determined by
6 the county tax assessor-collector.

7 (d) A limited service deputy or inspection deputy must post
8 a bond in an amount between \$2,500 and \$1,000,000, as determined
9 by the county tax assessor-collector.

10 (e) A deputy that is an agency or subdivision of a
11 governmental jurisdiction of the State of Texas is not required
12 to post a bond pursuant to this section, unless the county tax
13 assessor-collector determines that a bond should be required in
14 an amount consistent with subsection (d) of this section.

15

16 §217.168. Deputy Fee Amounts.

17 (a) Fees. A county tax assessor-collector may authorize a
18 deputy to charge or retain the fee amounts prescribed by this
19 section according to the type of deputy and transaction type.

20 (b) Title transactions. For each motor vehicle title
21 transaction processed:

22 (1) A full service deputy may charge the customer a
23 fee of up to \$15, as determined by the full service deputy and

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1 approved by the tax assessor-collector. The full service deputy
2 retains the entire fee charged to the customer.

3 (2) A dealer deputy may charge the customer a fee of
4 up to \$15, as determined by the dealer deputy and approved by
5 the tax assessor-collector. The dealer deputy retains the
6 entire fee charged to the customer. This section does not
7 preclude a dealer deputy from charging a documentary fee
8 authorized by Finance Code, §348.006.

9 (c) Registration and registration renewals. For each
10 registration transaction processed:

11 (1) A full service deputy may:

12 (i) retain \$1 from the processing and handling
13 fee established by §217.183 of this title (relating to Fee
14 Amount); and

15 (ii) charge a convenience fee of \$4, except as
16 limited by §217.184 of this title (relating to Exclusions).

17 (2) A limited service deputy may retain \$1 from the
18 processing and handling fee established by §217.183.

19 (3) A dealer deputy may retain \$1 from the processing
20 and handling fee established by §217.183. This section does not
21 preclude a dealer deputy from charging a documentary fee
22 authorized by Finance Code, §348.006.

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1 (d) Temporary permit transactions under Transportation
2 Code, §502.094 or §502.095. For each temporary permit
3 transaction processed by a full service deputy, the full service
4 deputy may retain the entire processing and handling fee
5 established by §217.183.

6 (e) Full service deputy convenience fee. The convenience
7 fee authorized by this section is collected by the full service
8 deputy directly from the customer and is in addition to the
9 processing and handling fee established by §217.183. A full
10 service deputy may not charge any additional fee for a
11 registration or registration renewal transaction.

12 (f) Related transactions by a full service deputy. The
13 limitations of subsections (b), (c), (d), and (e) of this
14 section do not apply to other services that a full service
15 deputy may perform that are related to titles or registrations,
16 but are not transactions that must be performed through the
17 department's automated vehicle registration and title system.
18 Services that are not transactions performed through the
19 department's automated vehicle registration and title system
20 include, but are not limited to, the additional fees a full
21 service deputy may charge for copying, faxing, or transporting
22 documents required to obtain or correct a motor vehicle title or
23 registration. However, the additional fees that a full service

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1 deputy may charge for these other services may be limited by the
2 terms of the county tax assessor-collector's authorization to
3 act as deputy.

4 (g) Posting of fees. At each location where a full service
5 deputy provides titling or registration services, the deputy
6 must prominently post a list stating all fees charged for each
7 service related to titling or registration. The fee list must
8 specifically state each service, including the additional fee
9 charged for that service, that is subject to subsections (b),
10 (c), (d), or (e) of this section. The fee list must also state
11 that each service subject to an additional fee under subsection
12 (b), (c), (d), or (e) of this section may be obtained from the
13 county tax assessor-collector without the additional fee. If
14 the full service deputy maintains a website advertising or
15 offering titling or registration services, the deputy must post
16 the fee list described by this subsection on the website.

17 (h) Additional compensation. The fee amounts set forth in
18 this section do not preclude or limit the ability of a county to
19 provide additional compensation to a deputy out of county funds.

**PROPOSED PUBLICATION OF AMENDMENTS TO 43 TAC SECTIONS 217.23,
217.24, 217.29, 217.32, 217.52, 217.53, AND 217.72; NEW SUBCHAPTER I, SECTIONS
217.181-217.185; AND REPEAL OF §217.31
RELATING TO PROCESSING AND HANDLING FEES**

Description

This order proposes publication for comment of amendments to §§217.23, 217.24, 217.29, 217.32, 217.52, 217.53, and 217.72; new Subchapter I, §§217.181-217.185; and repeal of §217.31.

Background

Proposed new Subchapter I sets the amount and allocation of the processing and handling fee authorized by Transportation Code, §502.1911. The new subchapter also details those transactions that are subject to and exempt from the processing and handling fee.

- Sets the processing and handling fee at \$5 per registration transaction.
- Allocates the fee for registration transactions conducted at the office of the county tax assessor-collector (TAC), or mailed to the TAC, such that the TAC retains \$2.30 of the \$5 processing and handling fee and remits the remainder to TxDMV.
- Discounts the processing and handling fee for registration transactions processed through the TxDMV online portal by \$1.25. Of the remaining \$3.75, \$.25 is remitted to the TAC and the remainder to TxDMV.
- Allocates the fee for registration transactions processed by a full service deputy, such that the deputy retains \$1 of the processing and handling fee, the TAC retains \$1.30, and the remainder is remitted to TxDMV.

Other changes to existing rules:

- Clarifies that registration applications must be accompanied by the processing and handling fee.
- Provides for registrations to be processed in adjacent counties that are agreeable in situations when a TAC office is closed for more than a week.
- Shifts some responsibilities from the TACs to the TxDMV for registration transactions processed online.
- Reduces the automated registration and titling system fee from \$1 to \$.50.
- Repeals all references to no charge plate replacements, instead relying on statutory language allowing for replacement for lost, stolen, or mutilated plates upon payment of a \$6 fee. Allows for replacement for cosmetic reasons if customer pays a fee. Also, deletes free replacement of vendor (MyPlates) specialty plates.

Other Comments

There will be fiscal implications related to the proposed amendments, new subchapter, and repeal, including the adjustments mentioned above, which will streamline and standardize processes across the state, will allow for more funding to go toward transportation by establishing a structure that allows for cost-savings in the future, and will include savings to both counties and the state by discontinuing the mandatory seven-year plate replacement.

If the proposed amendments, new subchapter, and repeal are approved by the board, staff anticipates publication of the proposed amendments, new subchapter, and repeal in the *Texas Register* on or about April 22, 2016. Comments on the proposed amendments, new subchapter, and repeal will be accepted until 5:00 p.m. on May 23, 2016.

BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES

RESOLUTION APPROVING PUBLICATION OF PROPOSED AMENDMENTS
43 TAC SECTIONS 217.23, 217.24, 217.29, 217.32, 217.52, 217.53, AND 217.72;
NEW SUBCHAPTER I, SECTIONS 217.181-217.185; AND REPEAL OF §217.31
RELATING TO PROCESSING AND HANDLING FEES

The Board of the Texas Department of Motor Vehicles (board) finds it necessary to amend Chapter 217, Vehicle Titles and Registration: §217.23, Initial Application for Vehicle Registration; §217.24, Vehicle Last Registered in Another Jurisdiction; §217.29, Vehicle Registration Renewal via Internet; §217.32, Replacement of License Plates, Symbols, Tabs, and Other Devices; §217.52, Marketing of Specialty License Plates through a Private Vendor; §217.53, Removal of License Plates and Registration Insignia upon Sale of Motor Vehicle; and §217.72, Automated Equipment; and propose new Subchapter I, Fees: §217.181, Purpose and Scope; §217.182, Registration Transaction; §217.183, Fee Amount; §217.184, Exclusions; and §217.185, Allocation of Processing and Handling Fee. In addition, the board also finds it necessary to propose the repeal of §217.31, License Plate Reissuance Program.

The preamble, proposed amendments, proposed new subchapter, and proposed repeal are attached to this resolution as Exhibits A-C, and are incorporated by reference as though set forth verbatim in this resolution, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the board that the attached rules are authorized for publication in the *Texas Register* for the purpose of receiving public comment.

The department is directed to take the necessary steps to implement the actions authorized in this order pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Laura Ryan, Chair
Board of the Texas Department of Motor Vehicles

Recommended by:

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

Order Number: _____

Date Passed: April 7, 2016

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1 Proposed Preamble

2 The Texas Department of Motor Vehicles (department) proposes

3 amendments to §217.23, Initial Application for Vehicle

4 Registration; §217.24, Vehicle Last Registered in Another

5 Jurisdiction; §217.29, Vehicle Registration Renewal via

6 Internet; §217.32, Replacement of License Plates, Symbols, Tabs,

7 and Other Devices; §217.52, Marketing of Specialty License

8 Plates through a Private Vendor; §217.53, Removal of License

9 Plates and Registration Insignia upon Sale of Motor Vehicle; and

10 §217.72, Automated Equipment. The department also proposes new

11 Subchapter I, Fees; §217.181, Purpose and Scope; §217.182,

12 Registration Transaction; §217.183, Fee Amount; §217.184,

13 Exclusions; and §217.185, Allocation of Processing and Handling

14 Fee. In addition, the department proposes the repeal of

15 §217.31, License Plate Reissuance Program.

16

17 EXPLANATION OF PROPOSED AMENDMENTS, NEW SUBCHAPTER AND REPEAL

18 House Bill 2202, 83rd Legislature, Regular Session, 2013, added

19 new §502.1911 to the Transportation Code, which authorizes the

20 department to establish a processing and handling fee to be

21 collected to cover the expenses of collecting registration fees.

22 House Bill 2202 further directs the Board of the Texas

23 Department of Motor Vehicles (board) to "set the fee in an

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1 amount that . . . , is sufficient to cover the expenses
2 associated with collecting registration fees[.]” The proposed
3 rules set the allocation of the processing and handling fee to
4 the department, county tax assessor-collectors, and deputies.
5 The proposed rules also define the scope of a registration
6 transaction and those transactions that are exempt from the
7 processing and handling fee.

8
9 The purpose of these proposed rules is to support the
10 department’s mission to serve, protect, and advance the citizens
11 and industries in this state with quality motor vehicle related
12 services. To accomplish this mission, in this and related
13 packages, the department proposes rules that will ensure
14 accountability and transparency in the provision of services,
15 combat fraud, streamline and standardize processes across the
16 state, set service standards to enhance consumer confidence,
17 allow for more funding to go toward transportation, establish
18 structures that allow for cost-savings in the future, and
19 modernize services to bring them in line with the needs of
20 today’s and tomorrow’s consumers.

21
22 In concert with this proposal, but in a separate package, the
23 department is also proposing rules to establish the

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1 classification types of deputies performing titling and
2 registration duties, the duties and obligations of deputies, the
3 type and amount of any bonds that may be required by a county
4 tax assessor-collector for deputies to perform titling and
5 registration duties, and the fees that may be charged or
6 retained by deputies. The proposed rules related to deputies
7 reference the fee amounts that can be charged or retained by
8 deputies; therefore, amendments to §217.161, and new sections
9 §§217.162 - 217.168 are related to the fee rules proposed
10 pursuant to Transportation Code, §520.0071, especially §217.185,
11 Allocation of Processing and Handling Fee.

12

13 In developing the proposed fee amounts, the department
14 considered information gathered over the past two years from
15 multiple meetings with stakeholders, including county tax
16 assessor-collectors, full and limited service deputies and their
17 representatives, representatives of motor vehicle dealers, and
18 state government leadership. Further, the department contracted
19 with Texas A&M Transportation Institute (TTI) to conduct
20 research regarding costs associated with processing vehicle
21 registration and title transactions. The TTI report estimated
22 costs for county tax assessor-collectors to process vehicle
23 registration transactions using the average transaction times

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1 as: (1) walk-in vehicle registration transactions: \$2.59; (2)
2 online vehicle registration transactions: \$1.36; and, (3) mail-
3 in vehicle registration transactions: \$1.97. The estimated costs
4 contained in the TTI report did not anticipate the efficiencies
5 and changes in service proposed in this rule package or any
6 future efficiencies implemented by the counties or the state.
7 The costs calculated by the report included costs associated
8 with collection of local-only fees (e.g., scofflaw, county road
9 and bridge), which are not statewide registration issues, and
10 therefore not under the control of the department in these
11 rules. The proposed compensation of \$2.30 for a walk-in
12 transaction, while slightly lower than the TTI conclusion, is
13 higher than the current compensation of \$1.90, and should be
14 sufficient to cover the costs of performing the registration
15 transactions when all other costs and efficiencies are
16 considered, including the proposal for the state to perform all
17 aspects of the fulfillment of online registration transactions.
18 Additionally, the study concluded that mail-in vehicle
19 registration transaction cost is \$1.97, whereas compensation in
20 the proposed rule is set at \$2.30. Although county compensation
21 for online transactions is reduced to \$.25, the department is
22 assuming all costs of fulfilling these online transactions at
23 its expense, including payment of the \$2 Texas Online fee, thus

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1 virtually eliminating costs to the county for these
2 transactions. The counties will continue to hold the
3 registration revenue for these transactions and will benefit
4 from the interest for the 34 days the funds are maintained in
5 county accounts.

6
7 The TTI report, available on the department's website, is the
8 most recent and comprehensive collection and analysis of data
9 available to the department regarding costs associated with
10 processing registration and title transactions. The TTI report
11 is available on the department's website at
12 [http://www.txdmv.gov/reports-and-data/doc_download/5121-](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-)
13 [estimating-the-cost-to-process-vehicle-registration-and-title-](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-)
14 [transactions-in-texas-counties](http://www.txdmv.gov/reports-and-data/doc_download/5121-estimating-the-cost-to-process-vehicle-registration-and-title-) and is hereby incorporated by
15 reference into this preamble.

16

17 SECTION BY SECTION ANALYSIS

18 Amendments proposed to §217.23, Initial Application for Vehicle
19 Registration, add a reference to the processing and handling fee
20 to be established by proposed new §217.183, Fee Amount. In
21 addition, language is added to address vehicle registration in
22 situations where a county tax assessor-collector office is
23 closed for more than a week, which aligns this rule with §217.4,

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1 Initial Application for Title.

2

3 Amendments proposed to §217.24, Vehicle Last Registered in
4 Another Jurisdiction, add a reference to the processing and
5 handling fee to be established by proposed new §217.183, Fee
6 Amount.

7

8 Amendments proposed to §217.29, Vehicle Registration Renewal via
9 Internet, remove language on fees and remove fulfillment
10 responsibilities related to renewal registrations from the
11 county tax assessor-collectors and transfers these obligations
12 to the department. Based on recent actions by the Texas
13 Department of Information Resources regarding Automated Clearing
14 House (ACH) fees, the department plans to research possible
15 implementation strategies for and fiscal impacts of acceptance
16 of ACH transactions.

17

18 The department proposes the repeal of §217.31, License Plate
19 Reissuance Program, because the section is unnecessary due to
20 amendments to §217.32, Replacement of License Plates, Symbols,
21 Tabs, and Other Devices.

22

23 Amendments are proposed to §217.32, to add language permitting

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1 replacement of a license plate if the license plate needs to be
2 replaced for cosmetic or readability reasons.

3

4 Amendments are proposed to §217.52, Marketing of Specialty
5 License Plates through a Private Vendor, to eliminate no-charge
6 replacement of specialty plates if the plate is at least seven
7 years old. The proposed amendments to this section permit
8 optional replacement of plates at any time upon payment of the
9 required fee. The proposed amendments also renumber subsections
10 due to the elimination of a subsection.

11

12 Amendments are proposed to §217.53, Removal of License Plates
13 and Registration Insignia upon Sale of Motor Vehicle, to correct
14 a statutory citation and to delete a reference to §217.31, which
15 is proposed for repeal.

16

17 Amendments proposed to §217.72, Automated Equipment, reduce the
18 automated registration and titling system fee required by
19 Transportation Code, §502.356 from \$1 to \$.50, and reiterates
20 that the fee will be deposited into a subaccount of the Texas
21 Department of Motor Vehicles fund.

22

23 Proposed new §217.181, Purpose and Scope, states the intention

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1 to prescribe the processing and handling fee authorized by
2 Transportation Code, §502.1911.

3
4 Proposed new §217.182, Registration Transaction, defines
5 registration transaction for purposes of the subchapter.
6 Registration transaction includes all registration and
7 registration renewal transactions under Transportation Code,
8 Chapter 502, and other listed transactions.

9
10 Proposed new §217.183, Fee Amount, sets the amount of the
11 processing and handling fee at \$5 and requires that the
12 processing and handling fee be collected with each registration
13 transaction processed by the department, a tax assessor-
14 collector, or a deputy appointed by a tax assessor-collector.
15 This section also clarifies that if a transaction includes both
16 registration and issuance of a license plate or specialty plate,
17 the processing and handling fee shall be collected on the
18 registration transaction only. *The proposed fee amount may*
19 *change depending upon comments received after publication of*
20 *these proposed rules.*

21
22 Proposed new §217.184, Exclusions, lists the transactions that
23 are exempt from the processing and handling fee.

24

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1 Proposed new §217.185, Allocation of Processing and Handling
2 Fee, outlines the allocation of the processing and handling fee
3 for all types of registration transactions. For walk-in
4 transactions processed in person at the office of a county tax
5 assessor-collector and mail-in transactions, the county retains
6 \$2.30 of the \$5 processing and handling fee, and remits the
7 remainder to the department. For registration transactions
8 processed through the department's online portal, which are
9 discounted by \$1.25, counties retain \$.25 per transaction, and
10 \$3.50 is remitted to the department. The department pays the \$2
11 per credit card transaction fee to Texas Online, which is
12 currently paid by the customer. Further, the proposed rule
13 reduces the total online registration fee to an amount that is
14 lower than the current fee for such a transaction by passing
15 along the savings to the customer. For registration
16 transactions processed by a deputy, the deputy retains \$1 in
17 addition to any convenience fees allowed by proposed §217.168
18 (in a separate rule package), and \$1.30 is retained by the
19 county. The portion of the processing and handling fee retained
20 by the department, as set out in the proposed rule, is necessary
21 to fill agency funding shortfalls not provided for by other
22 department revenue collections allowed by statute. The new
23 section also clarifies that the entity receiving the application
24 and processing a temporary permit transaction under
25 Transportation Code, §502.094 or §502.095, retains the entire

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1 processing and handling fee. *The proposed fee allocation may*
2 *change depending upon comments received after publication of*
3 *these proposed rules.*
4

5

6 FISCAL NOTE

7 Linda M. Flores, Chief Financial Officer, has determined that
8 for each of the first five years the amendments, new subchapter,
9 and repeal as proposed are in effect, there will be fiscal
10 implications for state and local governments. The fiscal
11 implications are affected by a shift in some of the services
12 provided for online registration renewals from counties to the
13 department, and a shift in the distribution of fees received
14 with vehicle registration renewals. The fiscal implications
15 assume that for the first five years the rule is in effect, 20%
16 more vehicle registrations will be renewed using online
17 resources rather than another transaction method. In addition,
18 it is assumed that total vehicle registrations will increase by
19 1.5% year to year. County tax assessor-collectors will see a
20 reduction of in-person transactions, and a reduction in
21 processing online renewal registrations. Those reductions will
22 allow counties to reduce overall costs of operation. In
23 addition, both counties and the state will see a savings as a

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1 result of discontinuing the mandatory seven-year plate
2 replacement cycle. County tax assessor-collectors will see a
3 reduction in processing and postage costs associated with the
4 mandatory replacement of license plates. For state government,
5 savings will result from a reduction in production costs
6 associated with manufacturing license plates.

7
8 No reductions in costs to state government are expected as a
9 result of enforcing or administering the proposed rules. For
10 state government, the predicted effect of the proposed rules in
11 the first year will be an increase in costs of approximately
12 \$6,447,899. In the second year, the predicted effect of the new
13 rules will be an increase in costs to the state of approximately
14 \$12,351,478. In the third year, the predicted effect of the new
15 rules will be an increase in costs to the state of approximately
16 \$15,108,514. In the fourth year, the predicted effect of the
17 new rules will be an increase in costs to the state of
18 approximately \$19,262,930. In the fifth year, the predicted
19 effect of the new rules will be an increase in costs to the
20 state of approximately \$23,537,837. Over the first five years
21 the rules are in effect, the total increase in costs to the
22 state will be approximately \$76,708,658.

23

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1 No additional costs to local (county) government are expected as
2 a result of enforcing or administering the proposed rules. For
3 local governments, specifically county tax assessor-collector
4 offices, the predicted effect of the proposed rules in the first
5 year will be a decrease in costs of approximately \$4,980,533.
6 This decrease in costs is an aggregate number for all 254 county
7 tax assessor-collectors in Texas. In the second year, the
8 predicted effect of the new rules will be a decrease in costs to
9 the counties of approximately \$9,156,210. In the third year,
10 the predicted effect of the new rules will be a decrease in
11 costs to the counties of approximately \$10,901,976. In the
12 fourth year, the predicted effect of the new rules will be a
13 decrease in costs to the counties of approximately \$13,509,423.
14 In the fifth year, the predicted effect of the new rules will be
15 a decrease in costs to the counties of approximately
16 \$16,166,976. Over the first five years the rule is in effect,
17 the total reduction in costs to counties is approximately
18 \$54,715,117.

19
20 For local governments, specifically counties, the predicted
21 effect of the new rules in the first year will be a decrease in
22 revenues to counties of approximately \$4,966,000. This decrease
23 in revenues is an aggregate number for all 254 county tax

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1 assessor-collectors in Texas compared to anticipated current
2 year revenues. In the second year, the predicted effect of the
3 new rules will be a decrease in revenues to the counties of
4 approximately \$10,656,000. In the third year, the predicted
5 effect of the new rules will be a decrease in revenues to the
6 counties of approximately \$13,957,000. In the fourth year, the
7 predicted effect of the new rules will be a decrease in revenues
8 to the counties of approximately \$18,949,000. In the fifth
9 year, the predicted effect of the new rules will be a decrease
10 in revenues to the counties of approximately \$23,822,000. Over
11 the first five years the rule is in effect, the total decrease
12 in revenue to counties will be approximately \$72,349,000.

13

14 The predicted effect of the new rules in the first year will be
15 an increase in revenues to the department of approximately
16 \$2,455,000. In the second year, the predicted effect of the new
17 rules will be an increase in revenues to the department of
18 approximately \$19,469,000. In the third year, the predicted
19 effect of the new rules will be an increase in revenues to the
20 department of approximately \$20,312,000. In the fourth year,
21 the predicted effect of the new rules will be an increase in
22 revenues to the department of approximately \$21,592,000. In the
23 fifth year, the predicted effect of the new rules will be an

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1 increase in revenues to the department of approximately
2 \$22,906,000. Over the first five years the rule is in effect,
3 the total increase in revenue to the department will be
4 approximately \$86,734,000.

5
6 Additionally, the implementation of these rules will result in
7 approximately \$224,772,638 in a five year period flowing to
8 State Highway Fund (Fund 0006) to support critical
9 transportation needs for the state.

10

11 Jeremiah Kuntz, Director of the Vehicle Titles and Registration
12 Division, has determined that there will be no anticipated
13 significant impact on local economies or overall employment as a
14 result of enforcing or administering the amendments, new
15 subchapter, and repeal.

16

17 PUBLIC BENEFIT AND COST

18 Mr. Kuntz has also determined that for each year of the first
19 five years the proposed amendments, new subchapter, and repeal
20 are in effect, the public benefit anticipated as a result of
21 enforcing or administering the proposed rules will be to provide
22 faster, more convenient and cost-effective services to
23 motorists, and an increase in funding for critical

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1 transportation needs. The public will benefit from a decrease in
2 the dependency on in-person registration transactions during an
3 entity's business hours by incentivizing online transactions and
4 reducing the cost of delivering online services. Individuals
5 who renew their registrations online will benefit from a
6 discount to the total registration fee, and from the convenience
7 of being able to renew without having to visit an office in
8 person. Implementation of the rules will also standardize the
9 costs for delivering registration services to the public
10 regardless of where or in what manner the transaction is
11 processed. Transparency of funding sources and amounts for the
12 department will be an additional benefit to the public as the
13 agency moves to a self-funded model through these rules. The
14 public will also benefit by not having to replace a license
15 plate on a registered vehicle that is in good condition for as
16 long as the owner desires. To the extent there are minor
17 overall increases in cost to the public as a result of the
18 implementation of the processing and handling fee, this cost is
19 required by statute, which states that the fee must be set in an
20 amount sufficient to cover the costs of the department, county
21 tax assessor-collectors, deputies, and other specified elements
22 of providing the registration services. Moreover, if the
23 processing and handling fee is not adopted, the department would

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1 suffer a shortfall in revenue to support agency operations and
2 the level of service provided by the department to the public
3 would be reduced.

4

5 SMALL AND MICRO-BUSINESS IMPACT ASSESSMENT

6 Pursuant to Government Code, Chapter 2006, the department does
7 not anticipate any adverse economic effect on small businesses
8 or micro-businesses due to the adoption of the amendments, new
9 subchapter, and repeal, since these proposed rules merely set
10 processing and handling fees and distributions of fee amounts
11 between the state and county governments. Counties have
12 discretion to outsource vehicle transactions by deputizing
13 entities to perform work on their behalf, and any such deputies
14 are compensated under these rules out of the county's portion of
15 the fees. Counties also have discretion to provide compensation
16 in amounts above those contemplated in the rules.

17

18 TAKINGS IMPACT ASSESSMENT

19 The department has determined that this proposal affects no
20 private real property interests and that this proposal does not
21 restrict or limit an owner's right to property that would
22 otherwise exist in the absence of government action, and so does
23 not constitute a taking or require a takings impact assessment

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1 under Government Code, §2007.043.

2

3 SUBMITTAL OF COMMENTS

4 Written comments on the proposed amendments, new subchapter, and

5 repeal may be submitted to David D. Duncan, General Counsel,

6 Texas Department of Motor Vehicles, 4000 Jackson Avenue,

7 Building 1, Austin, Texas 78731, or by email to *rules@txdmv.gov*.

8 The deadline for receipt of comments is 5:00 p.m. on May 23,

9 2016. If any commenter submits written comments disagreeing with

10 the department's position regarding economic impact, the

11 department strongly recommends including documentation to

12 support any stated negative financial, revenue, or cost

13 implications. Such documentation will aid in the board's

14 decision-making process and could include detailed financial

15 statements, business plans, budgets, or other items necessary to

16 demonstrate the stated impact. If a commenter considers any

17 such information confidential, the information should be clearly

18 marked "CONFIDENTIAL." If the department receives a request for

19 this information, the department will comply with the

20 requirements of the Public Information Act, Chapter 552 of the

21 Texas Government Code, and request a ruling from the Office of

22 the Attorney General for any information marked "CONFIDENTIAL."

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1

2 STATUTORY AUTHORITY

3 The amendments, new subchapter, and repeal are proposed under
4 Transportation Code, §1002.001, which provides the board with
5 the authority to adopt rules necessary and appropriate to
6 implement the powers and the duties of the department under the
7 Transportation Code; Transportation Code, §501.0041, which
8 provides the department may adopt rules to administer Chapter
9 501, Certificate of Title Act; Transportation Code, §502.0021,
10 which provides the department may adopt rules to administer
11 Transportation Code, Chapter 502, Registration of Vehicles; and
12 more specifically, Transportation Code, §520.0071, which
13 provides the board by rule shall prescribe the fees that may be
14 charged or retained by deputies; Transportation Code, §502.1911,
15 which authorizes the department to collect a fee to cover the
16 expenses of collecting registration fees and that is in an
17 amount sufficient to cover the expenses of collecting
18 registration fees by the department, a county tax assessor-
19 collector, a private entity with which a county tax assessor-
20 collector contracts under Transportation Code, §502.197, or a
21 deputy assessor-collector that is deputized in accordance with
22 board rule under Transportation Code, §520.0071; and
23 Transportation Code, §504.0011, which provides the department

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1 may adopt rules to implement and administer Chapter 504, License
2 Plates.

3

4 CROSS REFERENCE TO STATUTE

5 Finance Code, §348.005 and §353.006; and Transportation Code,

6 §§502.060, 502.191, 502.1911, 502.197, 504.002, 504.007, and

7 520.007.

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1 SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

2 §217.23. Initial Application for Vehicle Registration.

3 (a) An applicant for initial vehicle registration must file
4 an application on a form prescribed by the department. The form
5 will at a minimum require:

6 (1) the signature of the owner;

7 (2) the motor vehicle description, including, but not
8 limited to, the motor vehicle's year, make, model, vehicle
9 identification number, body style, carrying capacity for
10 commercial motor vehicles, and empty weight;

11 (3) the license plate number;

12 (4) the odometer reading, or the word "exempt" if the
13 motor vehicle is exempt from federal and state odometer
14 disclosure requirements;

15 (5) the name and complete address of the applicant;

16 and

17 (6) the name, mailing address, and date of any liens.

18 (b) The application must be accompanied by the following
19 [~~documents~~]:

20 (1) evidence of vehicle ownership as specified in
21 Transportation Code, §501.030, unless the vehicle has been
22 issued a nonrepairable or salvage vehicle title in accordance
23 with Transportation Code, Chapter 501, Subchapter E;

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- 1 (2) registration fees prescribed by law;
- 2 (3) any local fees or other fees prescribed by law and
3 collected in conjunction with registering a vehicle;
- 4 (4) evidence of financial responsibility required by
5 Transportation Code, §502.046, unless otherwise exempted by law;
- 6 (5) the processing and handling fee prescribed
7 by §217.183 of this title (relating to Fee Amount); and
- 8 (6)[(+5)] any other documents or fees required by law.
- 9 (c) An initial application for registration must be filed
10 with the tax assessor-collector of the county in which the owner
11 resides, except:
- 12 (1) an application for registration, as a prerequisite
13 to filing an application for title, may also be filed with the
14 county tax assessor-collector in the county in which the motor
15 vehicle is purchased or encumbered;~~[or]~~
- 16 (2) if a county has been declared a disaster area, the
17 resident may apply at the closest unaffected county if the
18 affected county tax assessor-collector estimates the county
19 offices will be inoperable for a protracted period; or
- 20 (3) if the county tax assessor-collector office in the
21 county in which the owner resides is closed for more than one
22 week, the resident may apply to the county tax assessor-

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1 collector in a county that borders the closed county if the
2 adjacent county agrees to accept the application.

3

4 §217.24. Vehicle Last Registered in Another Jurisdiction.

5 (a) The recorded owner of a vehicle that was last
6 registered or titled in another jurisdiction and is subject to
7 registration in this state may apply for registration if the
8 owner cannot or does not wish to relinquish the negotiable out-
9 of-state evidence of ownership to obtain a Texas title. On
10 receipt of a form prescribed by the department and payment of
11 the statutory fee for a title application and any other
12 applicable fees, the department will issue a registration
13 receipt to the applicant.

14 (b) Registration receipt.

15 (1) The receipt issued at the time of application may
16 serve as proof of registration and evidences title to a motor
17 vehicle for registration purposes only, but may not be used to
18 transfer any interest or ownership in a motor vehicle or to
19 establish a lien.

20 (2) Information to be included on the form. The form
21 will include the:

22 (A) out-of-state title number, if applicable;

23 (B) out-of-state license plate number, if

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1 applicable;

2 (C) state or country that issued the out-of-state
3 title or license plate;

4 (D) lienholder name and address as shown on the
5 out-of-state evidence, if applicable;

6 (E) statement that negotiable evidence of
7 ownership is not being surrendered; and

8 (F) signature of the applicant or authorized
9 agent of the applicant.

10 (3) Accompanying documentation. An application for
11 registration under this paragraph must be supported, at a
12 minimum, by:

13 (A) a completed application for registration, as
14 specified in subsection (a) of this section;

15 (B) presentation, but not surrender of, evidence
16 from another jurisdiction demonstrating that legal evidence of
17 ownership has been issued to the applicant as the motor
18 vehicle's owner, such as a validated title, a registration
19 receipt that is not more than six months past the date of
20 expiration, a non-negotiable title, or written verification from
21 the other jurisdiction;

22 (C) the processing and handling fee prescribed by
23 §217.183 of this title (relating to Fee Amount); and

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1 (D)[(E)] any other documents or fees required by
2 law.

3 (4) Assignment. In instances in which the title or
4 registration receipt is assigned to the applicant, an
5 application for registration purposes only will not be
6 processed. The applicant must apply for a title under
7 Transportation Code, Chapter 501.

8

9 §217.29. Vehicle Registration Renewal via Internet.

10 (a) Internet registration renewal program. The department
11 will maintain a uniform Internet registration renewal process.
12 This process will provide for the renewal of vehicle
13 registrations via the Internet and will be in addition to
14 vehicle registration procedures provided for in §217.28 of this
15 title (relating to Vehicle Registration Renewal). The Internet
16 registration renewal program will be facilitated by a third-
17 party vendor.

18 (b) County participation in program. All county tax
19 assessor-collectors shall process registration renewals through
20 an online system designated by the department.

21 (c) Eligibility of individuals for participation. To be
22 eligible to renew a vehicle's registration via the Internet, the
23 vehicle owner must meet all criteria for registration renewal

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1 outlined in this subchapter and in Transportation Code, Chapter
2 502.

3 ~~[(d) Fees. A vehicle owner who renews registration via the~~
4 ~~Internet must pay:]~~

5 ~~[(1) registration fees prescribed by law;]~~

6 ~~[(2) any local fees or other fees prescribed by law~~
7 ~~and collected in conjunction with registering a vehicle;]~~

8 ~~[(3) a fee of \$1 for the processing of a registration~~
9 ~~renewal by mail in accordance with Transportation Code,~~
10 ~~§502.197(a); and]~~

11 ~~[(4) a convenience fee of \$2 for the processing of an~~
12 ~~electronic registration renewal paid by a credit card payment in~~
13 ~~accordance with Transportation Code, §1001.009.]~~

14 (d)~~[(e)]~~Information to be submitted by vehicle owner. A
15 vehicle owner who renews registration via the Internet must
16 submit or verify the following information:

17 (1) registrant information, including the vehicle
18 owner's name and county of residence;

19 (2) vehicle information, including the license plate
20 number of the vehicle to be registered;

21 (3) insurance information, including the name of the
22 insurance company, the name of the insurance company's agent (if
23 applicable), the telephone number of the insurance company or

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1 agent (local or toll free number serviced Monday through Friday
2 8:00 a.m. to 5:00 p.m.), the insurance policy number, and
3 representation that the policy meets all applicable legal
4 standards;

5 (4) credit card information, including the type of
6 credit card, the name appearing on the credit card, the credit
7 card number, and the expiration date; and

8 (5) other information prescribed by rule or statute.

9 (e)~~(f)~~ Duties of the county. A county tax assessor-
10 collector shall:

11 (1) accept electronic payment for vehicle registration
12 renewal via the Internet;

13 (2) execute an agreement with the department as
14 provided by the director;

15 (3) process qualified Internet registration renewal
16 transactions as submitted by the third-party vendor;

17 (4) communicate with the third-party vendor and
18 applicants via email, regular mail, or other means, as specified
19 by the director; and

20 ~~[(5) promptly mail renewal registration validation
21 stickers and license plates to applicants;]~~

22 ~~[(6) ensure that all requirements for registration
23 renewal are met, including all requirements set forth in this~~

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1 ~~subchapter, and in Transportation Code, Chapter 502;~~

2 ~~[(7) reject applications that do not meet all~~

3 ~~requirements set forth in this chapter, and in Transportation~~

4 ~~Code, Chapter 502; and]~~

5 (5)~~[(8)]~~ register each vehicle for a 12-month period.

6 (f) Duties of the department. The department shall

7 promptly mail renewal registration validation stickers and

8 license plates to applicants.

9

10 §217.32. Replacement of License Plates, Symbols, Tabs, and Other

11 Devices.

12 (a) When a license plate, symbol, tab, or other

13 registration device is lost, stolen, ~~[or]~~ mutilated, or needs to

14 be replaced for cosmetic or readability reasons, a replacement

15 may be obtained from any county tax assessor-collector upon:

16 (1) the payment of the statutory replacement fee

17 prescribed by Transportation Code, §502.060 or §504.007; and

18 (2) the provision of a signed statement, on a form

19 prescribed by the department, that states:

20 (A) the license plate, symbol, tab, or other

21 registration device furnished for the described vehicle has been

22 lost, stolen, ~~[or]~~ mutilated, or needs to be replaced for

23 cosmetic or readability reasons, and if recovered, will not be

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1 used on any other vehicle; and

2 (B) the replaced license plate, symbol, tab, or
3 other device will only be used on the vehicle to which it was
4 issued.

5 (b) If the owner remains in possession of any part of the
6 lost, stolen, or mutilated license plate, symbol, tab, or other
7 registration device, that remaining part must be removed and
8 surrendered to the department on issuance of the replacement and
9 request by the county tax assessor-collector.

10

11 §217.52. Marketing of Specialty License Plates through a Private
12 Vendor.

13 (a) Purpose and scope. The department will enter into a
14 contract with a private vendor to market department-approved
15 specialty license plates in accordance with Transportation Code,
16 Chapter 504, Subchapter J. This section sets out the procedure
17 for approval of the design, purchase, and replacement of vendor
18 specialty license plates. In this section, the license plates
19 marketed by the vendor are referred to as vendor specialty
20 license plates.

21 (b) Application for approval of vendor specialty license
22 plate designs.

23 (1) Approval required. The vendor shall obtain the

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1 approval of the Board for each license plate design the vendor
2 proposes to market in accordance with this section and the
3 contract entered into between the vendor and the department.

4 (2) Application. The vendor must submit a written
5 application on a form approved by the executive director to the
6 department for approval of each license plate design the vendor
7 proposes to market. The application must include:

8 (A) a draft design of the specialty license
9 plate;

10 (B) projected sales of the plate, including an
11 explanation of how the projected figure was determined;

12 (C) a marketing plan for the plate including a
13 description of the target market;

14 (D) a licensing agreement from the appropriate
15 third party for any design or design element that is
16 intellectual property; and

17 (E) other information necessary for the Board to
18 reach a decision regarding approval of the requested vendor
19 specialty plate.

20 (c) Review and approval process. The Board will review
21 vendor specialty license plate applications. The Board:

22 (1) will not consider incomplete applications; and

23 (2) may request additional information from the vendor

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1 to reach a decision.

2 (d) Board decision.

3 (1) Decision. The decision of the Board will be based
4 on:

5 (A) compliance with Transportation Code, Chapter
6 504, Subchapter J;

7 (B) the proposed license plate design, including:

8 (i) whether the design meets the legibility
9 and reflectivity standards established by the department;

10 (ii) whether the design meets the standards
11 established by the department for uniqueness to ensure that the
12 proposed plate complies with Transportation Code, §504.852(c);

13 (iii) whether the license plate design can
14 accommodate the International Symbol of Access (ISA) as required
15 by Transportation Code, §504.201(f);

16 (iv) the criteria designated in §217.27 of
17 this title (relating to Vehicle Registration Insignia) as
18 applied to the design;

19 (v) whether a design is similar enough to an
20 existing plate design that it may compete with the existing
21 plate sales; and

22 (vi) other information provided during the
23 application process.

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1 (2) Public comment on proposed design. All proposed
2 plate designs will be considered by the Board as an agenda item
3 at a regularly or specially called open meeting. Notice of
4 consideration of proposed plate designs will be posted in
5 accordance with Office of the Secretary of State meeting notice
6 requirements. Notice of each license plate design will be posted
7 on the department's Internet web site to receive public comment
8 at least 25 days in advance of the meeting at which it will be
9 considered. The department will notify all specialty plate
10 organizations and the sponsoring agencies who administer
11 specialty license plates issued in accordance with
12 Transportation Code, Chapter 504, Subchapter G, of the posting.
13 A comment on the proposed design can be submitted in writing
14 through the mechanism provided on the department's Internet web
15 site for submission of comments. Written comments are welcome
16 and must be received by the department at least 10 days in
17 advance of the meeting. Public comment will be received at the
18 Board's meeting.

19 (e) Final approval and specialty license plate issuance.

20 (1) Approval. The Board will approve or disapprove the
21 specialty license plate application based on all of the
22 information provided pursuant to this subchapter in an open
23 meeting.

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1 (2) Application not approved. If the application is
2 not approved, the applicant may submit a new application and
3 supporting documentation for the design to be considered again
4 by the Board if:

5 (A) the applicant has additional, required
6 documentation; or

7 (B) the design has been altered to an acceptable
8 degree.

9 (3) Issuance of approved specialty plates.

10 (A) If the vendor's specialty license plate is
11 approved, the vendor must submit the non-refundable start-up fee
12 before any further design and processing of the license plate.

13 (B) Approval of the plate does not guarantee that
14 the submitted draft plate design will be used. The Board has
15 final approval of all specialty license plate designs and will
16 provide guidance on the submitted draft design to ensure
17 compliance with the format and license plate specifications.

18 (f) Redesign of vendor specialty license plates.

19 (1) On receipt of a written request from the vendor,
20 the department will allow a redesign of a vendor specialty
21 license plate.

22 (2) The vendor must pay the redesign administrative
23 costs as provided in the contract between the vendor and the

1 department.

2 (g) Multi-year vendor specialty license plates. Purchasers
3 will have the option of purchasing vendor specialty license
4 plates for a one-year, a three-year, or a five-year period.

5 (h) License plate categories and associated fees. The
6 categories and the associated fees for vendor specialty plates
7 are set out in this subsection.

8 (1) Custom license plates. Custom license plates
9 include license plates with a variety of pre-approved background
10 and character color combinations that may be personalized with
11 either three alpha and two or three numeric characters or two or
12 three numeric and three alpha characters. Generic license plates
13 on standard white sheeting with the word "Texas" that may be
14 personalized with up to six alphanumeric characters are
15 considered custom license plates before December 2, 2010. The
16 fees for issuance of Custom and Generic license plates are \$150
17 for one year, \$400 for three years, and \$450 for five years.

18 (2) T-Plates (Premium) license plates. T-Plates
19 (Premium) license plates may be personalized with up to seven
20 alphanumeric characters, including the "T," on colored
21 backgrounds or designs approved by the department. The fees for
22 issuance of T-Plates (Premium) license plates are \$150 for one
23 year, \$400 for three years, and \$450 for five years.

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1 (3) Luxury license plates. Luxury license plates may
2 be personalized with up to six alphanumeric characters on
3 colored backgrounds or designs approved by the department. The
4 fees for issuance of luxury license plates are \$150 for one
5 year, \$400 for three years, and \$450 for five years.

6 (4) Freedom license plates. Freedom license plates
7 include license plates with a variety of pre-approved background
8 and character color combinations that may be personalized with
9 up to seven alphanumeric characters. The fees for issuance of
10 freedom license plates are \$195 for one year, \$445 for three
11 years, and \$495 for five years.

12 (5) Background only license plates. Background only
13 license plates include non-personalized license plates with a
14 variety of pre-approved background and character color
15 combinations. The fees for issuance of background only license
16 plates are \$50 for one year, \$130 for three years, and \$175 for
17 five years.

18 (6) Vendor souvenir license plates. Vendor souvenir
19 license plates are replicas of vendor specialty license plate
20 designs that may be personalized with up to twenty-four
21 alphanumeric characters. Vendor souvenir license plates are not
22 street legal or legitimate insignias of vehicle registration.
23 The fee for issuance of souvenir license plates is \$40.

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1 (7) Auction of alphanumeric patterns. The vendor may
2 auction alphanumeric patterns for one, three, or five year terms
3 with options to renew indefinitely at the current price
4 established for a one, three, or five year luxury category
5 license plate. The purchaser of the auction pattern may select
6 from the vendor background designs at no additional charge at
7 the time of initial issuance. The auction pattern may be moved
8 from one vendor design plate to another vendor design plate as
9 provided in subsection (n)(1) of this section. The auction
10 pattern may be transferred from owner to owner as provided in
11 subsection (l)(2) of this section.

12 (8) Personalization and specialty plate fees.

13 (A) The fee for the personalization of license
14 plates applied for prior to November 19, 2009 is \$40 if the
15 plates are renewed annually.

16 (B) The personalization fee for plates applied
17 for after November 19, 2009 is \$40 if the plates are issued
18 pursuant to Transportation Code, Chapter 504, Subchapters G and
19 I.

20 (C) If the plates are renewed annually, the
21 personalization and specialty plate fees remain the same fee as
22 at the time of issuance if a sponsor of a specialty license
23 plate authorized under Transportation Code, Chapter 504,

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1 Subchapters G and I signs a contract with the vendor in
2 accordance with Transportation Code, Chapter 504, Subchapter J.

3 (i) Payment of fees.

4 (1) Payment of specialty license plate fees. The fees
5 for issuance of vendor specialty license plates will be paid
6 directly to the state through vendor and state systems for the
7 license plate category and period selected by the purchaser. A
8 person who purchases a multi-year vendor specialty license plate
9 must pay upon purchase the full fee which includes the renewal
10 fees.

11 (2) Payment of statutory registration fees. To be
12 valid for use on a motor vehicle, the license plate owner is
13 required to pay, in addition to the vendor specialty license
14 plate fees, any statutorily required registration fees in the
15 amount as provided by Transportation Code, Chapter 502, and this
16 subchapter.

17 (j) Refunds. Fees for vendor specialty license plate fees
18 will not be refunded after an application is submitted to the
19 vendor and the department has approved issuance of the license
20 plate.

21 (k) Replacement.

22 (1) Application. An owner must apply directly to the
23 county tax assessor-collector for the issuance of replacement

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1 vendor specialty license plates and must pay the fee described
2 in paragraphs (2), (3), or (4) of this subsection, whichever
3 applies.

4 (2) Lost or mutilated vendor specialty license plates.

5 To replace vendor specialty license plates that are lost or
6 mutilated, the owner must pay the statutory replacement fee
7 provided in Transportation Code, §504.007.

8 [~~(3) No charge replacement. The owner of vendor~~
9 ~~specialty license plates will receive at no charge replacement~~
10 ~~license plates as follows:~~]

11 [~~(A) one set of replacement license plates on or~~
12 ~~after the seventh anniversary after the date of initial~~
13 ~~issuance; and]~~

14 [~~(B) one set of replacement license plates seven~~
15 ~~years after the date the set of license plates were issued in~~
16 ~~accordance with subparagraph (A) of this paragraph.]~~

17 (3)~~[+4)]~~ Optional replacements. An owner of a vendor
18 specialty license plate may replace vendor specialty license
19 plates [~~before the seventh anniversary after the date of~~
20 ~~issuance]~~ by submitting a request to the county tax assessor-
21 collector accompanied by the payment of a \$6 fee.

22 (4)~~[+5)]~~ Interim replacement tags. If the vendor
23 specialty license plates are lost or mutilated to such an extent

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1 that they are unusable, replacement license plates will need to
2 be remanufactured. The county tax assessor-collector will issue
3 interim replacement tags for use until the replacements are
4 available. The owner's vendor specialty license plate number
5 will be shown on the interim replacement tags.

6 (5)~~[(6)]~~ Stolen vendor specialty license plates. The
7 county tax assessor-collector will not approve the issuance of
8 replacement vendor specialty license plates with the same
9 license plate number if the department's records indicate that
10 the vehicle displaying that license plate number was reported
11 stolen or the license plates themselves were reported stolen.

12 (1) Transfer of vendor specialty license plates.

13 (1) Transfer between vehicles. The owner of a vehicle
14 with vendor specialty license plates may transfer the license
15 plates between vehicles by filing an application through the
16 county tax assessor-collector if the vehicle to which the plates
17 are transferred:

18 (A) is titled or leased in the owner's name; and

19 (B) meets the vehicle classification requirements
20 for that particular specialty license plate.

21 (2) Transfer between owners. Vendor specialty license
22 plates may not be transferred between persons unless the license
23 plate pattern was initially purchased through auction as

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1 provided in subsection (h)(7) of this section. An auctioned
2 alphanumeric pattern may be transferred as a specialty license
3 plate or as a virtual pattern to be manufactured on a new
4 background as provided under the restyle option in subsection
5 (n)(1) of this section. In addition to the fee paid at auction,
6 the new owner of an auctioned alphanumeric pattern or plate will
7 pay the department a fee of \$25 to cover the cost of the
8 transfer, and complete the department's prescribed application
9 at the time of transfer.

10 (m) Gift plates.

11 (1) A person may purchase plates as a gift for another
12 person if the purchaser submits a statement that provides:

13 (A) the purchaser's name and address;

14 (B) the name and address of the person who will
15 receive the plates; and

16 (C) the vehicle identification number of the
17 vehicle on which the plates will be displayed or a statement
18 that the plates will not be displayed on a vehicle.

19 (2) To be valid for use on a motor vehicle, the
20 recipient of the plates must file an application with the county
21 tax assessor-collector and pay the statutorily required
22 registration fees in the amount as provided by Transportation
23 Code, Chapter 502, and this subchapter.

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1 (n) Restyled vendor specialty license plates. A person who
2 has purchased a multi-year vendor specialty license plate may
3 request a restyled license plate at any time during the term of
4 the plate.

5 (1) For the purposes of this subsection, "restyled
6 license plate" is a vendor specialty license plate that has a
7 different style from the originally purchased vendor specialty
8 license plate but:

9 (A) is within the same price category, except if
10 the pattern is an auction pattern; and

11 (B) has the same alpha-numeric characters and
12 expiration date as the previously issued multi-year license
13 plates.

14 (2) The fee for each restyled license plate is \$50.

15

16 §217.53. Removal of License Plates and Registration Insignia
17 upon Sale of Motor Vehicle.

18 (a) Purpose. Transportation Code, Chapter 502, Subchapter L
19 and Chapter 504, Subchapter K, provide [~~I, provides~~] for the
20 removal of the license plates and registration insignia when a
21 motor vehicle is sold or transferred. Motor vehicles eligible
22 for this process are limited to a passenger car or a light
23 truck, as those terms are defined in Transportation Code,

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1 §502.001.

2 (b) Disposition of removed license plates. License plates
3 removed from a motor vehicle by a licensed motor vehicle dealer
4 or by a motor vehicle owner in a private transaction as provided
5 in Transportation Code, §502.491, may be:

6 (1) transferred to another vehicle:

7 (A) that is titled or will be titled in the same
8 owner name as the vehicle from which the license plates were
9 removed;

10 (B) that is of the same vehicle classification
11 (passenger car or light truck) as the vehicle from which the
12 license plates were removed; and

13 [~~(C) if the age of the removed license plate is~~
14 ~~not greater than provided in §217.31 of this title (relating to~~
15 ~~License Plate Reissuance Program) which would require a new~~
16 ~~license plate to be issued; and]~~

17 (C)[~~(D)~~] upon acceptance of a request to transfer
18 the license plate by the county tax assessor-collector in which
19 the application is filed as provided by Transportation Code,
20 §501.023 or §502.040, whichever applies;

21 (2) disposed of in a manner that renders the license
22 plates unusable or that ensures the license plates will not be
23 available for fraudulent use on a motor vehicle; or

1 (3) retained by the owner of the motor vehicle from
2 which the license plates were removed.

3 (c) Vehicle transit permit.

4 (1) Obtaining a vehicle transit permit. A person who
5 obtains a motor vehicle in a private transaction may obtain one
6 vehicle transit permit (temporary single-trip permit), through
7 the department's website at www.txdmv.gov if the seller or
8 transferor has removed the license plates and registration
9 insignia.

10 (2) Restrictions. The permit, which is valid only for
11 the period shown on the permit, may be used for operation of the
12 motor vehicle only as provided in Transportation Code, §502.492,
13 and must be carried in the vehicle at all times. The permit may
14 only be used on passenger vehicles 6,000 pounds or less and
15 light trucks with a gross vehicle weight of 10,000 pounds or
16 less.

17

18 SUBCHAPTER C. REGISTRATION AND TITLE SYSTEM

19 §217.72. Automated Equipment.

20 (a) Initial allocation of automated equipment. When
21 requested by resolution of the commissioners court of a county,
22 and subject to the terms and conditions specified in subsection

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1 (d) of this section, the department will:

2 (1) make a fair share allocation of automated
3 equipment available to that county to be used by its tax
4 assessor-collector in implementing and operating RTS;

5 (2) provide the tax assessor-collector with computer
6 programs and personnel training; and

7 (3) furnish official automated forms and, for the
8 initial start-up of the system, automated equipment supplies.

9 (b) Additional automated equipment. At the request of the
10 tax assessor-collector of a county, subject to the terms and
11 conditions specified in subsection (d) of this section, and for
12 an amount of consideration that will cover the department's
13 costs, the department will enter into an agreement with the
14 commissioners court of that county under which the department
15 will lease automated equipment to that county in addition to the
16 fair share allocation for that county. Leased equipment will
17 remain the property of the department and will be used primarily
18 for RTS.

19 (c) Automated Registration and Titling System fee [Fee].
20 The department will collect an additional fee of \$.50 [~~\$1~~]for
21 each registration for the purposes set forth in Transportation
22 Code, §502.356. The fee shall be deposited into a subaccount in
23 the Texas Department of Motor Vehicles fund.

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1 (d) Conditions of availability.

2 (1) A county must:

3 (A) meet electrical power supply criteria
4 specified by the department prior to installation of the
5 automated equipment;

6 (B) bear all costs incurred for 24-hour per day
7 electrical power consumption for operation of the equipment;

8 (C) provide for the physical security and
9 protection of the equipment and shall indemnify the department
10 for any loss or damages to the equipment while in the custody
11 and control of the county;

12 (D) provide the department's maintenance
13 personnel access to the equipment during business hours of the
14 involved county office; and

15 (E) notify the department not less than 30
16 working days prior to relocating or adding automation equipment,
17 or of the closing or remodeling of an office, that may affect
18 automated equipment operations.

19 (2) At the election of a county tax assessor-
20 collector, automated equipment may be located at sites other
21 than those of the tax assessor-collector, including privately
22 owned, for-profit enterprises performing registration and title
23 functions for the county tax office. With regard to equipment

1 located at sites other than those of the tax assessor-collector,
2 the department's responsibility will be limited to ensuring that
3 the equipment remains operational. The county will be
4 responsible for all training, user support, forms, supplies,
5 user policy and procedures, and other support associated with
6 this equipment.

7 (3) Automated equipment made available to a county
8 pursuant to this section shall remain the property of the
9 department and must be used by the county tax assessor-collector
10 for operation of RTS; provided, however, that while not in RTS
11 usage, the equipment may be utilized for another statutory duty
12 or function of that office.

13

14

SUBCHAPTER I. FEES

15 §217.181. Purpose and Scope.

16 This subchapter prescribes the processing and handling fee
17 authorized by Transportation Code, §502.1911, which includes the
18 fee established under Transportation Code, §502.356(a), and is
19 sufficient to cover the expenses associated with collecting
20 registration fees by the department, a county tax assessor-
21 collector, a private entity with which a county tax assessor-
22 collector contracts under Transportation Code, §502.197, or a

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1 deputy assessor-collector that is deputized in accordance with
2 Subchapter H of this chapter (relating to Deputies).

3

4 §217.182. Registration Transaction.

5 As used in this subchapter, a registration transaction is a
6 registration or registration renewal under Transportation Code,
7 Chapter 502, or a transaction to issue the following:

8 (1) a registration, registration renewal, or permit
9 issued under Transportation Code, Chapter 502, Subchapter C
10 (Special Registrations);

11 (2) a license plate issued under Transportation Code,
12 §502.146;

13 (3) a temporary additional weight permit under
14 Transportation Code, §502.434;

15 (4) a license plate or license plate sticker under
16 Transportation Code, §§504.501, 504.502, 504.506, or 504.507; or

17 (5) a golf cart plate under Transportation Code,
18 §551.402.

19

20 §217.183. Fee Amount.

21 Except as limited by §217.184 of this title (relating to
22 Exclusions), a processing and handling fee in the amount of \$5
23 shall be collected with each registration transaction processed

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1 by the department, the county tax assessor-collector, or a
2 deputy appointed by the county tax assessor-collector. If a
3 transaction includes both registration and issuance of a license
4 plate or specialty plate, the processing and handling fee shall
5 be collected on the registration transaction only.

6

7 §217.184. Exclusions.

8 The following transactions are exempt from the processing and
9 handling fee established by §217.183 of this title (relating to
10 Fee Amount). The processing and handling fee may not be
11 assessed or collected on the following transactions:

12 (1) a replacement registration sticker under
13 Transportation Code, §502.060;

14 (2) a registration transfer under Transportation Code,
15 §502.192;

16 (3) an exempt registration under Transportation Code,
17 §502.451;

18 (4) a vehicle transit permit under Transportation
19 Code, §502.492;

20 (5) a replacement license plate under Transportation
21 Code, §504.007;

22 (6) a registration correction receipt, duplicate
23 receipt, or inquiry receipt;

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- 1 (7) an inspection fee receipt; or
2 (8) an exchange of license plate for which no
3 registration fees are collected.

4

5 §217.185. Allocation of Processing and Handling Fee.

6 (a) For registrations that expire on or after January 1,
7 2017, except for temporary permit transactions under
8 Transportation Code, §502.094 or §502.095, the fee amount
9 established in §217.183 of this title (relating to Fee Amount)
10 shall be allocated as follows:

11 (1) If the registration transaction was processed in
12 person at the office of the county tax assessor-collector:

13 (A) the county tax assessor-collector may retain
14 \$2.30; and

15 (B) the remaining amount shall be remitted to the
16 department.

17 (2) If the registration transaction was mailed to
18 office of the county tax assessor-collector:

19 (A) the county tax assessor-collector may retain
20 \$2.30; and

21 (B) the remaining amount shall be remitted to the
22 department.

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1 (3) If the registration transaction was processed
2 through the department's online registration portal, the fee
3 established in §217.183 is discounted by \$1.25:

4 (A) Texas Online receives the amount set pursuant
5 to Government Code, §2054.2591, Fees;

6 (B) the county tax assessor-collector may retain
7 \$.25; and

8 (C) the remaining amount shall be remitted to the
9 department.

10 (4) If the registration transaction was processed by a
11 deputy appointed by the county tax assessor-collector in
12 accordance with Subchapter H of this chapter (relating to
13 Deputies):

14 (A) the deputy may retain:

15 (i) the amount specified in §217.168(c) of
16 this title (relating to Deputy Fee Amounts). The deputy must
17 remit the remainder of the processing and handling fee to the
18 county tax assessor-collector; and

19 (ii) the convenience fee established in
20 §217.168, if the registration transaction is processed by a full
21 service deputy;

22 (B) the county tax assessor-collector may retain
23 \$1.30; and

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1 (C) the county tax assessor-collector must remit
2 the remaining amount to the department.

3 (b) For temporary permit transactions under Transportation
4 Code, §502.094 or §502.095, the entity receiving the application
5 and processing the transaction collects and retains the entire
6 processing and handling fee established in §217.183. A full
7 service deputy processing a temporary permit transaction may not
8 charge a convenience fee for that transaction.

1 SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

2 §217.31. License Plate Reissuance Program.

3 The county tax assessor-collectors shall issue new multi-year
4 license plates at no additional charge at the time of
5 registration renewal provided the current plates are over
6 seven years old from the date of issuance, including permanent
7 trailer plates.

REPEAL

**PROPOSED PUBLICATION OF 43 TAC, CHAPTER 217,
NEW SUBCHAPTER J, SECTIONS 217.201-217.207,
RELATING TO PERFORMANCE QUALITY RECOGNITION PROGRAM**

Description

This order proposes publication for comment of new Subchapter J, §§217.201-217.207.

Background

Transportation Code, §520.004 requires the Texas Department of Motor Vehicles (department) to establish standards for uniformity and service quality for county tax assessor-collectors (TACs) regarding vehicle titles and registration. The proposed new Subchapter J prescribes the procedures and general criteria the department will use to establish and administer a voluntary program called the Performance Quality Recognition Program. The department will create a separate document that contains the detailed evaluation criteria and score sheet for each level of recognition.

Proposed new Subchapter J:

- Provides the general framework for different levels of recognition to recognize TACs and their offices for outstanding performance and efficiency in processing title and registration transactions.
- Lists examples of the recognition criteria for the minimum recognition level, such as whether the office consistently applies statutes, rules, and policies governing motor vehicle transactions.
- Lists examples of the recognition criteria for a higher recognition level, such as whether the office performs efficiently and with low error rates.
- Provides the procedural requirements regarding the application for recognition, such as the deadline for the application.
- Describes the department's authority to award, deny, revoke, or demote a recognition level.
- Establishes the general term for a recognition level, which will expire on the later of the end of the TAC's term during which the recognition level was awarded or the one-year anniversary of the start of their re-election term.
- Establishes exceptions to the general term for a recognition level, such as when a recognition level is demoted or revoked.
- Provides a review process if an application is denied, if a TAC is not satisfied with the awarded level of recognition, or if a level of recognition is revoked or demoted.

Other Comments

There are no major fiscal implications related to the proposed new subchapter. To the extent the administration of the proposed new subchapter causes county tax assessor-collectors to timely remit registration fee collections, motor sales tax, and penalties to the state, there may be a minor positive fiscal impact for the state; however, the deadlines for these remittances are

provided by statute, rather than the proposed new subchapter. Since the program is voluntary, the proposed new Subchapter J will not cause a negative fiscal impact to the counties.

If the proposed new subchapter is approved by the board, staff anticipates publication of the proposed new subchapter in the *Texas Register* on or about April 22, 2016. Comments on the proposed new subchapter will be accepted until 5:00 p.m. on May 23, 2016.

BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES

RESOLUTION APPROVING PUBLICATION OF PROPOSED 43 TAC, CHAPTER 217,
NEW SUBCHAPTER J, SECTIONS 217.201-217.207,
RELATING TO PERFORMANCE QUALITY RECOGNITION PROGRAM

The Board of the Texas Department of Motor Vehicles (board) finds it necessary to propose Chapter 217, Vehicle Titles and Registration, new Subchapter J, Performance Quality Recognition Program: §217.201, Purpose and Scope; §217.202, Definitions; §217.203, Recognition Criteria; §217.204, Applications; §217.205, Department Decision to Award, Deny, Revoke, or Demote a Recognition Level; §217.206, Term of Recognition Level; and §217.207, Review Process.

The preamble and proposed new subchapter are attached to this resolution as Exhibits A-B, and are incorporated by reference as though set forth verbatim in this resolution, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the board that the attached rules are authorized for publication in the *Texas Register* for the purpose of receiving public comment.

The department is directed to take the necessary steps to implement the actions authorized in this order pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Laura Ryan, Chair
Board of the Texas Department of Motor Vehicles

Recommended by:

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

Order Number: _____

Date Passed: April 7, 2016

1 Proposed Preamble

2 The Texas Department of Motor Vehicles (department) proposes new
3 Subchapter J, Performance Quality Recognition Program: §217.201,
4 Purpose and Scope; §217.202, Definitions; §217.203, Recognition
5 Criteria; §217.204, Applications; §217.205, Department Decision
6 to Award, Deny, Revoke, or Demote a Recognition Level; §217.206,
7 Term of Recognition Level; and §217.207, Review Process.

8

9 EXPLANATION OF PROPOSED NEW SUBCHAPTER

10 Transportation Code, §520.004 requires the department to
11 establish standards for uniformity and service quality for
12 county tax assessor-collectors regarding vehicle titles and
13 registration. The proposed new Subchapter J prescribes the
14 procedures and general criteria the department will use to
15 establish and administer a voluntary program called the
16 Performance Quality Recognition Program (Recognition Program).

17

18 The department will use the Recognition Program to recognize
19 county tax assessor-collectors and their offices for outstanding
20 performance and efficiency in processing title and registration
21 transactions. The recognition criteria contain the standards
22 for uniformity and service quality, such as processing
23 transactions in a timely fashion and consistently applying

1 statutes, rules, and policies governing motor vehicle
2 transactions.

3
4 Proposed new §217.203, Recognition Criteria, states the
5 department will establish criteria for multiple levels of
6 recognition for performance. Proposed new §217.206, Term of
7 Recognition Level, establishes the length or term for a
8 recognition level, including triggers that will cause the
9 recognition level to terminate or expire.

10

11 FISCAL NOTE

12 Linda M. Flores, Chief Financial Officer, has determined that
13 for each of the first five years the new subchapter as proposed
14 is in effect, there will be no major fiscal implications for
15 state or local governments as a result of administering the
16 proposed new subchapter. To the extent the administration of
17 the proposed new subchapter causes county tax assessor-
18 collectors to timely remit registration fee collections, motor
19 sales tax, and penalties to the state, there may be a minor
20 positive fiscal impact for the state; however, the deadlines for
21 these remittances are provided by statute, rather than the
22 proposed new subchapter. Since the program is voluntary, the
23 proposed new Subchapter J will not cause a negative fiscal

1 impact to the counties.

2

3 Jeremiah Kuntz, Director of the Vehicle Titles and Registration
4 Division, has determined that there will be no impact on local
5 economies or overall employment as a result of enforcing or
6 administering the new subchapter.

7

8 PUBLIC BENEFIT AND COST

9 Mr. Kuntz has also determined that for each year of the first
10 five years the proposed new subchapter is in effect, the public
11 benefit anticipated as a result of enforcing or administering
12 the subchapter will be the uniformity and quality of service
13 provided by county tax assessor-collectors in processing title
14 and registration transactions. There are no anticipated economic
15 costs for persons required to comply with the subchapter as
16 proposed.

17

18 SMALL AND MICRO-BUSINESS IMPACT ASSESSMENT

19 Pursuant to Government Code, Chapter 2006, the department does
20 not anticipate any adverse economic effect on small businesses
21 or micro-businesses due to the adoption of the new subchapter.

22

1 TAKINGS IMPACT ASSESSMENT

2 The department has determined that this proposal affects no
3 private real property interests and that this proposal does not
4 restrict or limit an owner's right to property that would
5 otherwise exist in the absence of government action, and so does
6 not constitute a taking or require a takings impact assessment
7 under Government Code, §2007.043.

8

9 SUBMITTAL OF COMMENTS

10 Written comments on the proposed new subchapter may be submitted
11 to David D. Duncan, General Counsel, Texas Department of Motor
12 Vehicles, 4000 Jackson Avenue, Building 1, Austin, Texas 78731,
13 or by email to *rules@txdmv.gov*. The deadline for receipt of
14 comments is 5:00 p.m. on May 23, 2016.

15

16 STATUTORY AUTHORITY

17 The new subchapter is proposed under Transportation Code,
18 §1002.001, which provides the board of the Texas Department of
19 Motor Vehicles (board) with the authority to adopt rules
20 necessary and appropriate to implement the powers and the duties
21 of the department under the Transportation Code; Transportation
22 Code, §520.003, which states the department may adopt rules to
23 administer Chapter 520, Miscellaneous Provisions; and more

1 specifically, Transportation Code, §520.004, which states the
2 department by rule shall establish standards for uniformity and
3 service quality for counties.

4

5 CROSS REFERENCE TO STATUTE

6 Transportation Code, §520.004.

1 SUBCHAPTER J. PERFORMANCE QUALITY RECOGNITION PROGRAM

2 §217.201. Purpose and Scope.

3 Transportation Code, §520.004, requires the department to
4 establish standards for uniformity and service quality for
5 counties. This subchapter prescribes the procedures and general
6 criteria the department will use to establish and administer a
7 voluntary program called the Performance Quality Recognition
8 Program. The department will use the Performance Quality
9 Recognition Program to recognize county tax assessor-collectors
10 and their offices for outstanding performance and efficiency in
11 processing title and registration transactions.

12
13 §217.202. Definitions.

14 The following words and terms, when used in this subchapter,
15 shall have the following meanings, unless the context clearly
16 indicates otherwise.

17 (1) Department--The Texas Department of Motor
18 Vehicles.

19 (2) Deputy--A person appointed to serve in an official
20 government capacity to perform, under the provisions of
21 Subchapter H of this chapter, designated motor vehicle titling,
22 registration, and registration renewal services as a deputy

1 assessor-collector. The term "deputy" does not include an
2 employee of a county tax assessor-collector.

3 (3) Office--The county tax assessor-collector
4 office(s) for each county, including the office(s) of any
5 deputy.

6

7 §217.203. Recognition Criteria.

8 (a) Levels of recognition. The department will establish
9 criteria for multiple levels of recognition for performance.

10 (b) Recognition criteria for minimum recognition level. The
11 recognition criteria shall include, but are not limited to,
12 factors that indicate whether the office:

13 (1) timely remits registration fee collections;

14 (2) timely remits motor vehicle sales tax and
15 penalties;

16 (3) consistently applies statutes, rules, and policies
17 governing motor vehicle transactions; and

18 (4) maintains bonds as required by statute or
19 administrative rule.

20 (c) Recognition criteria for a higher recognition level.

21 The recognition criteria shall include, but are not limited to,
22 factors that indicate whether the office:

23 (1) performs efficiently and with low error rates;

1 (2) processes transactions in a timely fashion;

2 (3) has customer feedback programs; and

3 (4) has fraud, waste, and abuse awareness and
4 prevention programs.

5 (d) Possible additional criteria for a higher recognition
6 level. In addition to the recognition criteria listed in
7 subsection (c) of this section, the department may include
8 recognition criteria, such as the following, that indicate
9 whether the office:

10 (1) implements cost-saving measures; and

11 (2) has customer feedback metrics to measure customer
12 satisfaction.

13 (e) Posting recognition criteria. The department shall post
14 the recognition criteria on its website.

15

16 §217.204. Applications.

17 (a) Application deadline. If a county tax assessor-
18 collector chooses to apply for a recognition level or to apply
19 for a higher level of recognition under the Performance Quality
20 Recognition Program, the county tax assessor-collector must
21 submit an application to the department during any year of the
22 county tax assessor-collector's term of office. The application

1 must be received by the department or postmarked no later than
2 October 31st.

3 (b) Application from a successor county tax assessor-
4 collector. A successor county tax assessor-collector is not
5 eligible for a recognition level until after serving as the
6 county tax assessor-collector during an entire state fiscal
7 year, which is September 1st through August 31st.

8 (c) Application for a higher level of recognition.

9 (1) If a county tax assessor-collector obtains a
10 recognition level and chooses to apply for a higher level of
11 recognition during the term of the existing recognition level,
12 the county tax assessor-collector is not eligible to apply for a
13 higher level until after serving as the county tax assessor-
14 collector during an entire state fiscal year subsequent to the
15 state fiscal year for which the existing recognition level was
16 awarded.

17 (2) If the department demotes a county tax assessor-
18 collector's recognition level, the county tax assessor-collector
19 is not eligible to apply for a higher level of recognition until
20 after serving as the county tax assessor-collector during an
21 entire state fiscal year subsequent to the state fiscal year
22 during which the existing recognition level was demoted.

1 (d) Application for a recognition level after revocation of
2 recognition level. If the department revokes a county tax
3 assessor-collector's recognition level, the county tax assessor-
4 collector is not eligible to apply for a recognition level
5 during the remainder of the county tax assessor-collector's term
6 of office during which the revocation occurred.

7 (e) Application form. The application must be submitted on
8 a form prescribed by the department.

9 (f) Signature on application. The county tax assessor-
10 collector must sign the application.

11 (g) Additional information, documentation, or
12 clarification. At the department's discretion, the department
13 may request additional information, documentation, or
14 clarification from the county tax assessor-collector after the
15 department receives an application. The department shall provide
16 the county tax assessor-collector with a deadline to respond to
17 the request.

18
19 §217.205. Department Decision to Award, Deny, Revoke, or Demote
20 a Recognition Level.

21 (a) Award of recognition level. The department may award a
22 recognition level based on the following for the time frame of

1 September 1st through August 31st immediately preceding the
2 application deadline:

3 (1) information and documents contained in the
4 application;

5 (2) any additional information, documentation, or
6 clarification requested by the department; and

7 (3) information and documentation from department
8 records.

9 (b) Denial of recognition level. The department may deny an
10 award of recognition if:

11 (1) the application contains any incomplete or
12 inaccurate information;

13 (2) the applicant fails to provide requested
14 documents;

15 (3) the application contains incomplete documents;

16 (4) the application was not received by the department
17 or postmarked by the department's deadline;

18 (5) the county tax assessor-collector who applied for
19 recognition no longer holds the office of county tax assessor-
20 collector;

21 (6) the county tax assessor-collector did not sign the
22 application; or

1 (7) the department discovers information which shows
2 the applicant does not comply with the criteria to receive a
3 recognition level.

4 (c) Revocation of recognition level or demotion of
5 recognition level. The department may revoke a recognition level
6 or demote a recognition level if the department discovers
7 information which shows the applicant no longer complies with
8 the criteria for the recognition level.

9 (d) Notice of department decision to award, deny, demote,
10 or revoke a recognition level. The department shall notify the
11 county tax assessor-collector of the department's decision via
12 email, facsimile transmission, or regular mail.

13 (e) Deadline for department decision to award or to deny a
14 recognition level. No later than 90 calendar days after
15 receiving the application for recognition, the department shall
16 send a written notice to the applicant stating:

17 (1) the department's decision to award or to deny a
18 recognition level; or

19 (2) there will be a delay in the department's
20 decision.

21

22 §217.206. Term of Recognition Level.

1 (a) Expiration of recognition level. Except as provided in
2 subsections (b), (c), (d), and (e) of this section, the
3 recognition level expires on the later of the end of the county
4 tax assessor-collector's term of office during which the
5 recognition was awarded or the one-year anniversary of the start
6 of their re-election term of office.

7 (b) Demoted recognition level. If a recognition level is
8 demoted during the term of a recognition level, the demoted
9 recognition level expires on the later of the end of the county
10 tax assessor-collector's term of office during which the
11 recognition level was demoted or the one-year anniversary of the
12 start of their re-election term of office, except as provided in
13 subsections (c), (d), and (e) of this section.

14 (c) Revoked recognition level. A recognition level that is
15 revoked will terminate on the effective date of the revocation.

16 (d) Decision on application for a higher level of
17 recognition. If a county tax assessor-collector chooses to apply
18 for a higher level of recognition, the existing recognition
19 level terminates once the department makes a decision on the
20 application for a higher level of recognition.

21 (e) County tax assessor-collector no longer holds office.
22 The recognition level awarded to a county tax assessor-collector

1 expires when the county tax assessor-collector no longer holds
2 the office of county tax assessor-collector.

3

4 §217.207. Review Process.

5 (a) Request for review. A county tax assessor-collector may
6 request the department to review its decision by submitting a
7 written request for review as prescribed by the department:

8 (1) if an application for recognition is denied;

9 (2) if the county tax assessor-collector is not
10 satisfied with the awarded level of recognition; or

11 (3) if a level of recognition is revoked or demoted.

12 (b) Deadline for request for review. The written request
13 for review must be received by the department or postmarked no
14 later than 90 calendar days after the date listed in the
15 department's notice to the county tax assessor-collector of the
16 department's decision for which review is requested.

17 (c) County tax assessor-collector's request for review. The
18 department will not consider a request for review submitted by
19 someone other than the county tax assessor-collector who signed
20 the application for recognition or who obtained the recognition
21 level at issue. The request must:

1 (1) specifically identify the basis for the county tax
2 assessor-collector's disagreement with the department's
3 decision; and

4 (2) include any evidence or legal authority that
5 supports the request for review.

6 (d) Deadline for department decision on request for review.
7 The department shall make a decision on the written request for
8 review no later than 90 calendar days after receiving the
9 written request for review.

10 (e) Notice of department decision on request for review.
11 The department shall notify the county tax assessor-collector of
12 the department's decision via email, facsimile transmission, or
13 regular mail.

**PROPOSED PUBLICATION TO AMEND
43 TAC SECTIONS 217.2 - 217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46,
217.54, 217.55, 217.88, AND 217.123,
RELATING TO VEHICLE TITLES AND REGISTRATION**

Description

This order proposes publication for comment of amendments to §§217.2 - 217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123.

Background

The proposed amendments implement stricter requirements for performing “even trade” titling transactions, allow for use of a state-issued concealed handgun license (CHL) as a valid form of ID for transactions, implement a number of legislative changes, and clean-up incorrect references.

- Adds new requirement that both parties to an even trade must apply for title in person at the same time. Exception allowed if physical or medical conditions prevent a party from being physically present.
- CHL amendments -- CHL issued by DPS added as acceptable identification to support various applications, such as initial registration, replacement title, and access to motor vehicle records.

Other cleanup and clarifying amendments

- Amends definition of “implements of husbandry” to be consistent with amended statute. (SB 971)
- Deletes requirement for a brand on a title to indicate oversize permit if park model type trailer exceeds 102 in. in width or 40 ft. in length - language was incorrect and requirement clear in statute.
- Adds language clarifying that an application for farm plates submitted by a farmers’ coop or marketing association need not be accompanied by proof of the applicant’s Texas Agriculture or Timber Exemption Registration issued by the Comptroller (these entities do not have such registrations). (HB 75)
- Changes name of rule section to “Special Registrations” and clarifies that the department does not issue registration insignia for special registrations or temporary permits, but will issue a receipt for each permit in lieu of registration.
- Following the addition of several military specialty license plates last session, the rule has been simplified by amending language to reference statutory section authorizing all plates rather than listing each plate individually. Statute is clear on plates and fees. Rule is also amended to add a retired military ID card to list of authorized evidence of eligibility for military specialty license plates. Adds plate replacement language. (HBs 127, 789, 1273, 1360, 1364; SB 193)
- Adds “Antique Bus” plate. (HB 972)
- Language correction clarifying that certain vehicles may not be registered in combination. Also updates incorrect statutory cites regarding permits for tow trucks.

- Corrects a statutory cite and adds a missing statutory cite in §217.53, deletes cross-reference.
- Clarifies that an administrative fee of \$10 is only required for a registration cancelled on a fleet vehicle that is not in compliance with the inspection requirements under Transp. Code, Ch. 548 and DPS rules.
- Vehicles owned and used by U.S. Coast Guard Auxiliary added to rule based on legislative change to statute; other amendments to clarify the rule and align with statute. (HB 1360)
- Corrects an incorrect statutory cite in §217.88.

Other Comments

There will be no fiscal implications related to the proposed amendments.

If the proposed amendments are approved by the board, staff anticipates publication of the proposed amendments in the *Texas Register* on or about April 22, 2016. Comments on the proposed amendments will be accepted until 5:00 p.m. on May 23, 2016.

BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES

RESOLUTION APPROVING PUBLICATION OF PROPOSED 43 TAC CHAPTER 217,
AMENDMENTS TO SUBCHAPTERS A, B, D, AND F,
RELATING TO VEHICLE TITLES AND REGISTRATION

The Board of the Texas Department of Motor Vehicles (board) finds it necessary to amend Subchapter A, §217.2, Definitions; §217.3, Motor Vehicle Titles; §217.4, Initial Application for Title; §217.5, Evidence of Motor Vehicle Ownership; §217.7, Replacement of Title; Subchapter B, §217.26, Identification Required; §217.33, Commercial Farm Motor Vehicles, Farm Trailers, and Farm Semitrailers; §217.40, Special Registration Permits; §217.43, Military Specialty License Plates; §217.45, Specialty License Plates, Symbols, Tabs, and Other Devices; §217.46, Commercial Vehicle Registration; §217.54, Registration of Fleet Vehicles; §217.55, Exempt and Alias Vehicle Registration; Subchapter D, §217.88, Sale, Transfer, or Release of Ownership of a Non-repairable or Salvage Motor Vehicle; and Subchapter F, §217.123, Access to Motor Vehicle Records.

The preamble and proposed amendments are attached to this resolution as Exhibits A-E, and are incorporated by reference as though set forth verbatim in this resolution, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the board that the attached rules are authorized for publication in the *Texas Register* for the purpose of receiving public comment.

The department is directed to take the necessary steps to implement the actions authorized in this order pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Laura Ryan, Chair
Board of the Texas Department of Motor Vehicles

Recommended by:

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

Order Number: _____

Date Passed: April 7, 2016

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1 Proposed Preamble

2 The Texas Department of Motor Vehicles (department) proposes
3 amendments to Chapter 217, Subchapter A, §217.2, Definitions;
4 §217.3, Motor Vehicle Titles; §217.4, Initial Application for
5 Title; §217.5, Evidence of Motor Vehicle Ownership; §217.7,
6 Replacement of Title; Subchapter B, §217.26, Identification
7 Required; §217.33, Commercial Farm Motor Vehicles, Farm
8 Trailers, and Farm Semitrailers; §217.40, Special Registration
9 Permits; §217.43, Military Specialty License Plates; §217.45,
10 Specialty License Plates, Symbols, Tabs, and Other Devices;
11 §217.46, Commercial Vehicle Registration; §217.54, Registration
12 of Fleet Vehicles; §217.55, Exempt and Alias Vehicle
13 Registration; Subchapter D, §217.88, Sale, Transfer, or Release
14 of Ownership of a Non-repairable or Salvage Motor Vehicle; and
15 Subchapter F, §217.123, Access to Motor Vehicle Records.

16

17 EXPLANATION OF PROPOSED AMENDMENTS

18 Several bills from the 84th Legislature, Regular Session, 2015,
19 amended sections of the Transportation Code. Because of these
20 statutory changes, several rules must be amended to maintain
21 consistency with the amended statutes. Amendments are proposed
22 throughout Chapter 217, Subchapters A, B, D, and F to reflect
23 the statutory changes and to correct statutory citations; delete

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1 unnecessary language, including language that repeats statute;
2 and to update and clarify various requirements and procedures.

3

4 SECTION BY SECTION ANALYSIS

5 Amendments are proposed to §217.2, Definitions, to update the
6 definition of "implement of husbandry" to mirror the amendment
7 to the definition in Transportation Code, §541.201(6) by Senate
8 Bill 971, 84th Regular Session. This section is also amended to
9 include a definition for "even trade."

10

11 Amendments are proposed to §217.3, Motor Vehicle Titles, to
12 remove an unnecessary sentence that requires a brand on a title
13 indicating that an oversize permit must be obtained.

14

15 Amendments are proposed to §217.4, Initial Application for
16 Title, to remove an unnecessary rule citation, update numbering
17 within the rule, and prescribe requirements applicable to "even
18 trade" title transactions. The proposed amendments require both
19 parties to an even trade to apply for title in person at the
20 same time, unless a party provides a power of attorney and
21 medical documentation indicating the party is unable to be
22 physically present.

23

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1 Amendments are proposed to §217.5, Evidence of Motor Vehicle
2 Ownership; §217.7, Replacement of Title; §217.26, Identification
3 Required; and §217.123, Access to Motor Vehicle Records, to add
4 a concealed handgun license issued by the Texas Department of
5 Public Safety under Government Code, Chapter 411, Subchapter H
6 as an acceptable form of identification to support an
7 application for a title, replacement title, initial
8 registration, or a request for personal information.

9
10 Amendments are proposed to §217.33, Commercial Farm Motor
11 Vehicles, Farm Trailers, and Farm Semitrailers, to implement
12 House Bill 75, 84th Regular Session. This bill exempted a
13 farmers' cooperative society incorporated under Chapter 51,
14 Agriculture Code, or a marketing association organized under
15 Chapter 52, Agriculture Code from the requirement to submit
16 proof of the applicant's Texas Agriculture or Timber Exemption
17 Registration issued by the Texas Comptroller of Public Accounts
18 when applying for or renewing the registration of farm plates
19 under this section.

20
21 Amendments are proposed to §217.40, Special Registration
22 Permits, to reflect that permits are issued in lieu of
23 registration insignia as legal registration for the movement of

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1 motor vehicles not authorized to travel on Texas public highways
2 for lack of registration or for lack of reciprocity with the
3 state or country in which the vehicles are registered. The
4 amendments also delete "Permits" from the section heading.

5

6 Amendments are proposed to §217.43, Military Specialty License
7 Plates, to simplify the rule and allow for future amendments to
8 the statutes authorizing military specialty license plates
9 without requiring rule amendments. Amendments to this section
10 are also proposed to implement House Bill 789, 84th Regular
11 Session, which amended Transportation Code, §504.303, to allow a
12 retired member of the United States armed forces to use an
13 identification card issued by any branch of the military under
14 the jurisdiction of the United States Department of Defense or
15 the United States Department of Homeland Security indicating
16 that the member is retired to support an application for a
17 military specialty license plate. Amendments are also proposed
18 to update numbering within the section.

19

20 Amendments are proposed to §217.45, Specialty License Plates,
21 Symbols, Tabs, and Other Devices, to implement House Bill 792,
22 84th Regular Session, which amended Transportation Code,
23 §504.502 by adding "bus" to the type of vehicle eligible for

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1 antique plates.

2

3 Amendments are proposed to §217.46, Commercial Vehicle
4 Registration, to clarify which vehicles may not be registered in
5 combination and to reflect that tow trucks are issued permits by
6 the Texas Department of Licensing and Regulation under
7 Occupations Code, Chapter 2308, Subchapter C.

8

9 Amendments are proposed to §217.54, Registration of Fleet
10 Vehicles, to clarify that for a cancellation of a commercial
11 fleet vehicle registration for non-compliance with the
12 inspection requirements under Transportation Code, Chapter 548,
13 a registrant must pay a \$10 fee in addition to the other
14 requirements for reinstatement of the registration.

15

16 Amendments are proposed to §217.55, Exempt and Alias Vehicle
17 Registration, to implement House Bill 1360, 84th Regular
18 Session, which added United States Coast Guard Auxiliary
19 Vehicles to the categories of vehicles eligible for an exemption
20 under Transportation Code, §502.453. Amendments are also
21 proposed to clarify the language in the rule.

22

23 Amendments are proposed to §217.88, Sale, Transfer, or Release

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1 of Ownership of a Non-repairable or Salvage Motor Vehicle, to
2 correct a statutory citation.

3

4 Further, nonsubstantive amendments are proposed throughout these
5 sections to correct grammar and punctuation.

6

7 FISCAL NOTE

8 Linda M. Flores, Chief Financial Officer, has determined that
9 for each of the first five years the amendments as proposed are
10 in effect, there will be no fiscal implications for state and
11 local governments as a result of enforcing or administering the
12 amendments.

13

14 Jeremiah Kuntz, Director of the Vehicle Titles and Registration
15 Division, has determined that there will be no anticipated
16 impact on local economies or overall employment as a result of
17 enforcing or administering the amendments.

18

19 PUBLIC BENEFIT AND COST

20 Mr. Kuntz has also determined that for each year of the first
21 five years the proposed amendments are in effect, the public
22 benefit anticipated as a result of enforcing or administering
23 the amended sections will be accuracy, clarity, and consistency

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1 in the department's rules. Mr. Kuntz has also determined that
2 for each of the first five years the proposed amendments are in
3 effect, there are no anticipated significant economic costs for
4 persons required to comply with the amendments as proposed.

5

6 SMALL AND MICRO-BUSINESS IMPACT ASSESSMENT

7 Pursuant to Government Code Chapter 2006, the department does
8 not anticipate any adverse economic effect on small businesses
9 or micro-businesses due to the adoption of the amendments.

10

11 TAKINGS IMPACT ASSESSMENT

12 The department has determined that this proposal affects no
13 private real property interests and that this proposal does not
14 restrict or limit an owner's right to property that would
15 otherwise exist in the absence of government action, and so does
16 not constitute a taking or require a takings impact assessment
17 under Government Code, §2007.043.

18

19 SUBMITTAL OF COMMENTS

20 Written comments on the proposed amendments may be submitted to
21 David D. Duncan, General Counsel, Texas Department of Motor
22 Vehicles, 4000 Jackson Avenue, Building 1, Austin, Texas 78731,
23 or by email to *rules@txdmv.gov*. The deadline for receipt of

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1 comments is 5:00 p.m. on May 23, 2016.

2

3 STATUTORY AUTHORITY

4 The amendments are proposed under Transportation Code,
5 §1002.001, which provides the board of the Texas Department of
6 Motor Vehicles (board) the authority to adopt rules necessary
7 and appropriate to implement the powers and the duties of the
8 department under the Transportation Code; Transportation Code,
9 §501.0041, which provides the department may adopt rules to
10 administer Chapter 501, Certificate of Title Act; Transportation
11 Code, §502.0021, which provides the department may adopt rules
12 to administer Chapter 502, Registration of Vehicles; and
13 Transportation Code, §504.0011, which provides the department
14 may adopt rules to implement and administer Chapter 504, License
15 Plates. More specifically, amendments are also proposed under
16 Transportation Code, §501.0235, which provides the department
17 may require an applicant for a title to provide current personal
18 identification as determined by department rule.

19

20 CROSS REFERENCE TO STATUTE

21 Transportation Code, §§501.022, 501.023, 502.095, 502.453,
22 502.456, and 504.202.

1 SUBCHAPTER A. MOTOR VEHICLE TITLES

2 §217.2. Definitions.

3 The following words and terms, when used in this subchapter,
4 shall have the following meanings, unless the context clearly
5 indicates otherwise.

6 (1) Alias--The name of a vehicle owner reflected on a
7 title, when the name on the title is different from the name of
8 the legal owner of the vehicle.

9 (2) Alias title--A title document issued by the
10 department for a vehicle that is used by an exempt law
11 enforcement agency in covert criminal investigations.

12 (3) Bond release letter--Written notification from the
13 United States Department of Transportation authorizing United
14 States Customs to release the bond posted for a motor vehicle
15 imported into the United States to ensure compliance with
16 federal motor vehicle safety standards.

17 (4) Title application--A form prescribed by the
18 division director that reflects the information required by the
19 department to create a motor vehicle title record.

20 (5) Date of sale--The date of the transfer of
21 possession of a specific vehicle from a seller to a purchaser.

22 (6) Division director--The director of the
23 department's Vehicle Titles and Registration Division.

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1 (7) Executive administrator--The director of a federal
2 agency, the director of a Texas state agency, the sheriff of a
3 Texas county, or the chief of police of a Texas city who by law
4 possesses the authority to conduct covert criminal
5 investigations.

6 (8) Exempt agency--A governmental body exempt by law
7 from paying title or registration fees for motor vehicles.

8 (9) Federal motor vehicle safety standards--Motor
9 vehicle safety requirements promulgated by the United States
10 Department of Transportation, National Highway Traffic Safety
11 Administration, set forth in Title 49, Code of Federal
12 Regulations.

13 (10) House moving dolly--An apparatus consisting of
14 metal beams and axles used to move houses. House moving dollies,
15 by nature of their construction and use, actually form large
16 semitrailers.

17 (11) Identification certificate--A form issued by an
18 inspector of an authorized safety inspection station in
19 accordance with Transportation Code, Chapter 548.

20 (12) Implements of husbandry--Farm implements,
21 machinery, and tools used in tilling the soil, including self-
22 propelled machinery specifically designed or especially adapted
23 for applying plant food materials or agricultural chemicals.

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1 This term does not include an implement unless it is designed or
2 adapted for the sole purpose of transporting farm materials or
3 chemicals. This term does not include any passenger car or
4 truck. This term does include a towed vehicle that transports to
5 the field and spreads fertilizer or agricultural chemicals; or a
6 motor vehicle designed and adapted to deliver feed to livestock.

7 (13) Manufacturer's certificate of origin--A form
8 prescribed by the department showing the original transfer of a
9 new motor vehicle from the manufacturer to the original
10 purchaser, whether importer, distributor, dealer, or owner, and
11 when presented with an application for title, showing, on
12 appropriate forms prescribed by the department, each subsequent
13 transfer between distributor and dealer, dealer and dealer, and
14 dealer and owner.

15 (14) Moped--A motor driven cycle whose attainable
16 speed is not more than 30 miles per hour and that is equipped
17 with a motor that produces not more than two-brake horsepower.
18 If an internal combustion engine is used, the piston
19 displacement may not exceed 50 cubic centimeters and the power
20 drive system may not require the operator to shift gears.

21 (15) Motor vehicle importation form--A declaration
22 form prescribed by the United States Department of
23 Transportation and certified by United States Customs that

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1 relates to any motor vehicle being brought into the United
2 States and the motor vehicle's compliance with federal motor
3 vehicle safety standards.

4 (16) Non United States standard motor vehicle--A motor
5 vehicle not manufactured in compliance with federal motor
6 vehicle safety standards.

7 (17) Obligor--An individual who is required to make
8 payments under the terms of a support order for a child.

9 (18) Person--An individual, firm, corporation,
10 company, partnership, or other entity.

11 (19) Safety certification label--A label placed on a
12 motor vehicle by a manufacturer certifying that the motor
13 vehicle complies with all federal motor vehicle safety
14 standards.

15 (20) Statement of fact--A written declaration that
16 supports an application for a title, that is executed by an
17 involved party to a transaction involving a motor vehicle, and
18 that clarifies an error made on a title or other negotiable
19 evidence of ownership. An involved party is the seller or an
20 agent of the seller involved in the motor vehicle transaction.
21 When a written declaration is necessary to correct an odometer
22 disclosure error, the signatures of both the seller and buyer
23 when the error occurred are required.

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1 (21) Verifiable proof--Additional documentation
2 required of a vehicle owner, lienholder, or agent executing an
3 application for a certified copy of a title.

4 (A) Individual applicant. If the applicant is an
5 individual, verifiable proof consists of a copy of a current
6 photo identification issued by this state or by the United
7 States or foreign passport.

8 (B) Business applicant. If the applicant is a
9 business, verifiable proof consists of an original or copy of a
10 letter of signature authority on letterhead, a business card, or
11 employee identification and a copy of current photo
12 identification issued by this state or by the United States or
13 foreign passport.

14 (C) Power of attorney. If the applicant is a
15 person in whose favor a power of attorney has been executed by
16 the owner or lienholder, verifiable proof consists of the
17 documentation required under subparagraph (A) or (B) of this
18 paragraph both for the owner or lienholder and for the person in
19 whose favor the power of attorney is executed.

20 (22) Even trade--A transaction involving the even
21 exchange of two automobiles with comparable standard presumptive
22 value.

23

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1 §217.3. Motor Vehicle Titles.

2 Unless otherwise exempted by law or this chapter, the owner of
3 any motor vehicle that is required to be registered in
4 accordance with Transportation Code, Chapter 502, shall apply
5 for a Texas title in accordance with Transportation Code,
6 Chapter 501.

7 (1) Motorcycles, motor-driven cycles, autocycles, and
8 mopeds.

9 (A) The title requirements of a motorcycle,
10 motor-driven cycle, autocycle, and moped are the same
11 requirements prescribed for any motor vehicle.

12 (B) A vehicle that meets the criteria for a moped
13 and has been certified as a moped by the Department of Public
14 Safety will be registered and titled as a moped. If the vehicle
15 does not appear on the list of certified mopeds published by
16 that agency, the vehicle will be treated as a motorcycle for
17 title and registration purposes.

18 (2) Farm vehicles.

19 (A) The term motor vehicle does not apply to
20 implements of husbandry, which may not be titled.

21 (B) Farm tractors owned by agencies exempt from
22 registration fees in accordance with Transportation Code,
23 §502.453, are required to be titled and registered with "Exempt"

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1 license plates issued in accordance with Transportation Code,
2 §502.451.

3 (C) Farm tractors used as road tractors to mow
4 rights of way or used to move commodities over the highway for
5 hire are required to be registered and titled.

6 (D) Farm semitrailers with a gross weight of more
7 than 4,000 pounds that are registered in accordance with
8 Transportation Code, §502.146, may be issued a Texas title.

9 (3) Neighborhood electric vehicles. The title
10 requirements of a neighborhood electric vehicle (NEV) are the
11 same requirements prescribed for any motor vehicle.

12 (4) Trailers, semitrailers, and house trailers. Owners
13 of trailers and semitrailers shall apply for and receive a Texas
14 title for any stand alone (full) trailer, including homemade or
15 shopmade full trailers, or any semitrailer having a gross weight
16 in excess of 4,000 pounds. Owners of trailers having a gross
17 weight of 4,000 pounds or less may apply for and receive a Texas
18 title. House trailer-type vehicles must meet the criteria
19 outlined in subparagraph (C) of this paragraph to be titled.

20 (A) The rated carrying capacity will not be less
21 than one-third of its empty weight.

22 (B) Mobile office trailers, mobile oil field
23 laboratories, and mobile oil field bunkhouses are not designed

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1 as dwellings, but are classified as commercial semitrailers and
2 must be registered and titled as commercial semitrailers if
3 operated on the public streets and highways.

4 (C) House trailer-type vehicles and camper
5 trailers must meet the following criteria in order to be titled.

6 (i) A house trailer-type vehicle designed
7 for living quarters and that is eight body feet or more in width
8 and forty body feet or more in length (not including the hitch),
9 is classified as a manufactured home or mobile home and is not
10 eligible for a Texas title under Transportation Code, Chapter
11 501.

12 (ii) A house trailer-type vehicle that is
13 less than eight feet in width or less than forty feet in length
14 is classified as a travel trailer and shall be registered and
15 titled.

16 (iii) A camper trailer shall be titled as a
17 house trailer and shall be registered with travel trailer
18 license plates.

19 (iv) A recreational park model type trailer
20 that is primarily designed as temporary living quarters for
21 recreational, camping or seasonal use, is built on a single
22 chassis, and is 400 square feet or less when measured at the
23 largest horizontal projection when in the set up mode shall be

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1 titled as a house trailer and may be issued travel trailer
2 license plates. [~~If the park model type trailer exceeds one-~~
3 ~~hundred two inches in width or forty feet in length, the title-~~
4 ~~will include a brand to indicate that an oversize permit must be-~~
5 ~~obtained to move the trailer on the public roads.]~~

6 (5) Assembled vehicles.

7 (A) An assembled vehicle is a vehicle assembled
8 from the three basic component parts (motor, frame, and body),
9 except that a motorcycle must have a frame and motor, and a
10 trailer or travel trailer will have no motor, and that is:

11 (i) assembled from new or used materials and
12 parts by someone not regulated as a motor vehicle manufacturer;

13 (ii) altered or modified to the extent that
14 it no longer reflects the original manufacturer's configuration;
15 or

16 (iii) assembled from a kit even if a
17 Manufacturer's Certificate of Origin or Manufacturer's Statement
18 of Origin is provided.

19 (B) A newly assembled vehicle, for which a title
20 has never been issued in this jurisdiction or any other, may be
21 titled if:

22 (i) it is assembled and completed with a
23 body, motor, and frame, except that a motorcycle must have a

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1 frame and motor, and a trailer or travel trailer will have no
2 motor;

3 (ii) it is not created from different
4 vehicle classes, (as established by the Federal Highway
5 Administration, except as provided by subparagraph (C) of this
6 paragraph), that were never engineered or manufactured to be
7 combined with one another;

8 (iii) it has all safety components required
9 by federal law during the year of assembly, unless the vehicle
10 qualifies and is registered as a custom vehicle or street rod in
11 accordance with Transportation Code, §504.501;

12 (iv) it is not a vehicle described by
13 paragraph (6) of this section;

14 (v) for a vehicle assembled with a body,
15 motor, and frame, the applicant provides proof, on a form
16 prescribed by the department, of a safety inspection performed
17 by an Automotive Service Excellence (ASE) technician with valid
18 certification as a Certified Master Automobile and Light Truck
19 Technician, certifying that the vehicle:

20 (I) is structurally stable;

21 (II) meets the necessary conditions to
22 be operated safely on the roadway; and

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1 (III) is equipped and operational with
2 all equipment required by statute or rule as a condition of sale
3 during the year the vehicle was assembled unless it is being
4 inspected pursuant to Subchapter G of this chapter;

5 (vi) for a vehicle assembled with a body,
6 motor, and frame, the applicant submits a copy of the Certified
7 Master Automobile and Light Truck Technician's ASE
8 certification;

9 (vii) the applicant submits a Rebuilt
10 Vehicle Statement; and

11 (viii) the applicant submits the following
12 to establish the vehicle's vehicle identification number:

13 (I) an Application for Assigned or
14 Reassigned Number, and Notice of Assigned Number or Installation
15 of Reassigned Vehicle Identification Number, on forms prescribed
16 by the department; or

17 (II) acceptable proof, as established
18 by the department, of a vehicle identification number assigned
19 by the manufacturer of the component part by which the vehicle
20 will be identified.

21 (C) Component parts from the following vehicle
22 classes may be interchanged with one another or used in the
23 creation of an assembled vehicle:

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- 1 (i) 2-axle, 4-tire passenger cars;
- 2 (ii) 2-axle, 4 tire pickups, panels and
- 3 vans;
- 4 (iii) 6-tire dually pickups, of which the
- 5 rear tires are dual tires.

6 (D) The ASE inspection for a newly assembled

7 vehicle required under subparagraph (B) of this paragraph is in

8 addition to the inspection required by Transportation Code,

9 Chapter 548, except a vehicle that qualifies and is registered

10 as a custom vehicle or street rod in accordance with

11 Transportation Code, §504.501, is exempt from the inspection

12 required under Transportation Code, Chapter 548, for the

13 duration the vehicle is registered as such.

14 (E) An assembled vehicle which has previously

15 been titled and/or registered in this or any other jurisdiction

16 is subject to subparagraph (B)(i) - (iv) of this paragraph, but

17 is not subject to subparagraph (B)(v) - (viii); however, it is

18 subject to the inspection required by Transportation Code,

19 Chapter 548, except a vehicle that qualifies and is registered

20 as a custom vehicle or street rod in accordance with

21 Transportation Code, §504.501.

22 (F) An assembled vehicle will be titled using the

23 year it was assembled as the model year and "ASSEMBLED" or

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1 "ASVE" as the make of the vehicle unless the body of the vehicle
2 is established to the department's satisfaction to be an
3 original body from a particular year and make. An assembled
4 vehicle utilizing an original body may be titled by the year and
5 the make of the original body but must reflect a "RECONSTRUCTED"
6 remark. An assembled vehicle not utilizing an original body may
7 obtain a title with a "REPLICA" remark featuring the year and
8 make of the replica if the vehicle resembles a prior model year
9 vehicle. This subparagraph applies regardless of how the
10 vehicle's model year or make was previously identified in this
11 or any other jurisdiction.

12 (6) Not Eligible for Title. The following are not
13 eligible for a Texas title regardless of the vehicle's previous
14 title and/or registration in this or any other jurisdiction:

15 (A) vehicles that are missing or are stripped of
16 their motor, frame, or body, to the extent that it materially
17 alters the manufacturer's original design or makes the vehicle
18 unsafe for on-road operation as determined by the department;

19 (B) vehicles designed or determined by the
20 department to be a dune buggy;

21 (C) vehicles designed or determined by the
22 department to be for on-track racing, unless such vehicles meet
23 Federal Motor Vehicle Safety Standards (FMVSS) for on-road use

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1 and are reported to the National Highway Traffic Safety
2 Administration;

3 (D) vehicles designed or determined by the
4 department to be for off-road use only, unless specifically
5 defined as a "motor vehicle" in Transportation Code, Chapter
6 501[+]; or

7 (E) vehicles assembled, built, constructed,
8 rebuilt, or reconstructed in any manner with:

9 (i) a body or frame from a vehicle which is
10 a "nonrepairable motor vehicle" as that term is defined in
11 Transportation Code, §501.091(9); or

12 (ii) a motor or engine from a vehicle which
13 is flood damaged, water damaged, or any other term which may
14 reasonably establish the vehicle from which the motor or engine
15 was obtained is a loss due to a water related event.

16

17 §217.4. Initial Application for Title.

18 (a) Time for application. Except as otherwise provided in
19 Transportation Code, Chapter 501, a [A] person must apply for
20 the title not later than the 30th day after the date of
21 assignment, except:

22 (1) in a seller-financed sale, the title must be
23 applied for not later than the 45th day after the date the motor

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1 vehicle is delivered to the purchaser; or,

2 ~~[(2) as provided by §215.144(e) of this title—~~

3 ~~(relating to Record of Sales and Inventory); or]~~

4 (2)~~[(3)]~~ a member of the armed forces or a member of a
5 reserve component of the United States, a member of the Texas
6 National Guard or of the National Guard of another state serving
7 on active duty, must apply not later than the 60th day after the
8 date of assignment of ownership.

9 (b) Place of application. When motor vehicle ownership is
10 transferred, a title application must be filed with the county
11 tax assessor-collector in the county in which the applicant
12 resides or in the county in which the motor vehicle was
13 purchased or encumbered, as selected by the applicant, except:

14 (1) as provided by Transportation Code, Chapters 501
15 and 502 and by §217.84(a) of this title (relating to Application
16 for Non-repairable or Salvage Vehicle Title);

17 (2) if a county has been declared a disaster area, the
18 resident may apply at the closest unaffected county if the
19 affected county tax assessor-collector estimates the county
20 offices will be inoperable for a protracted period; or

21 (3) if the county tax assessor-collector office in the
22 county in which the owner resides is closed for more than one
23 week, the resident may apply to the county tax assessor-

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1 collector in a county that borders the closed county if the
2 adjacent county agrees to accept the application.

3 (c) Information to be included on application. An applicant
4 for an initial title must file an application on a form
5 prescribed by the department. The form will at a minimum require
6 the:

7 (1) motor vehicle description including, but not
8 limited to, the motor vehicle:

9 (A) year;

10 (B) make;

11 (C) identification number;

12 (D) body style; and

13 (E) empty weight;

14 (2) license plate number, if the motor vehicle is
15 subject to registration under Transportation Code, Chapter 502;

16 (3) odometer reading and brand, or the word "exempt"
17 if the motor vehicle is exempt from federal and state odometer
18 disclosure requirements;

19 (4) previous owner's legal name and complete mailing
20 address, if available;

21 (5) legal name as stated on the identification
22 presented and complete address of the applicant;

23 (6) name and mailing address of any lienholder and the

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1 date of lien, if applicable;

2 (7) signature of the seller of the motor vehicle or
3 the seller's authorized agent and the date the title application
4 was signed; and

5 (8) signature of the applicant or the applicant's
6 authorized agent and the date the title application was signed.

7 (d) Accompanying documentation. The title application must
8 be supported by, at a minimum, the following documents:

9 (1) evidence of vehicle ownership, as described in
10 §217.5 of this title (relating [~~related~~] to Evidence of Motor
11 Vehicle Ownership);

12 (2) an odometer disclosure statement properly executed
13 by the seller of the motor vehicle and acknowledged by the
14 purchaser, if applicable;

15 (3) proof of financial responsibility in the
16 applicant's name, as required by Transportation Code, §502.046,
17 unless otherwise exempted by law;

18 (4) an identification certificate if required by
19 Transportation Code, Chapter 548, and Transportation Code,
20 §501.030, and if the vehicle is being titled and registered, or
21 registered only;

22 (5) a release of any liens, provided that if any liens
23 are not released, they will be carried forward on the new title

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1 application with the following limitations:

2 (A) A lien recorded on out-of-state evidence as
3 described in §217.5 cannot be carried forward to a Texas title
4 when there is a transfer of ownership, unless a release of lien
5 or authorization from the lienholder is attached; and

6 (B) A lien recorded on out-of-state evidence as
7 described in §217.5 is not required to be released when there is
8 no transfer of ownership from an out-of-state title and the same
9 lienholder is being recorded on the Texas application as is
10 recorded on the out-of-state title; and

11 (6) any documents required by §217.9 of this title
12 (relating to Bonded Titles).

13 (e) Requirements applicable to even trades. Both parties to
14 an even trade must apply for title in person at the same time.
15 If one party to an even trade cannot be physically present due
16 to a verifiable physical or medical condition, the transaction
17 may be processed by a representative of the applicant if the
18 representative presents documentation authorizing the
19 representative to act on behalf of the applicant and
20 documentation from a treating physician attesting that the
21 applicant is unable to be physically present. One party to an
22 even trade may not be appointed as a representative of the
23 applicant who is unable to be physically present, and no person

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1 may serve as representative of both parties to an even trade.

2

3 §217.5. Evidence of Motor Vehicle Ownership.

4 (a) Evidence of motor vehicle ownership properly assigned
5 to the applicant must accompany the title application. Evidence
6 must include, but is not limited to, the following documents.

7 (1) New motor vehicles. A manufacturer's certificate
8 of origin assigned by the manufacturer or the manufacturer's
9 representative or distributor to the original purchaser is
10 required for a new motor vehicle that is sold or offered for
11 sale.

12 (A) The manufacturer's certificate of origin must
13 be in the form prescribed by the department and must contain, at
14 a minimum, the following information:

15 (i) motor vehicle description including, but
16 not limited to, the motor vehicle year, make, identification
17 number, and body style;

18 (ii) the empty or shipping weight;

19 (iii) the gross vehicle weight when the
20 manufacturer's certificate of origin is invoiced to a licensed
21 Texas motor vehicle dealer and is issued for commercial motor
22 vehicles as that term is defined in Transportation Code, Chapter
23 502;

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1 (iv) a statement identifying a motor vehicle
2 designed by the manufacturer for off-highway use only; and

3 (v) if the vehicle is a "neighborhood
4 electric vehicle," a statement that the vehicle meets Federal
5 Motor Vehicle Safety Standard 500 (49 C.F.R. §571.500) for low-
6 speed vehicles.

7 (B) When a motor vehicle manufactured in another
8 country is sold directly to a person other than a manufacturer's
9 representative or distributor, the manufacturer's certificate of
10 origin must be assigned to the purchaser by the seller.

11 (2) Used motor vehicles. A title issued by the
12 department, a title issued by another state if the motor vehicle
13 was last registered and titled in another state, or other
14 evidence of ownership must be relinquished in support of the
15 title application for any used motor vehicle. A registration
16 receipt is required from a vehicle owner coming from a state
17 that no longer titles vehicles after a certain period of time.

18 (3) Motor vehicles brought into the United States. An
19 application for title for a motor vehicle last registered or
20 titled in a foreign country must be supported by documents
21 including, but not limited to, the following:

22 (A) the motor vehicle registration certificate or
23 other verification issued by a foreign country reflecting the

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1 name of the applicant as the motor vehicle owner, or reflecting
2 that legal evidence of ownership has been legally assigned to
3 the applicant;

4 (B) unless the applicant is an active duty member
5 of the U.S. Armed Forces or is from the immediate family of such
6 a member returning to Texas with proof of the active duty status
7 of the family member, verification of the vehicle identification
8 number of the vehicle, on a form prescribed by the department,
9 executed by a member of:

- 10 (i) the National Insurance Crime Bureau;
11 (ii) the Federal Bureau of Investigation; or
12 (iii) a law enforcement auto theft unit; and

13 (C) for motor vehicles that are less than 25
14 years old, proof of compliance with United States Department of
15 Transportation (USDOT) regulations including, but not limited
16 to, the following documents:

17 (i) the original bond release letter with
18 all attachments advising that the motor vehicle meets federal
19 motor vehicle safety requirements or a letter issued by the
20 USDOT, National Highway Traffic Safety Administration, verifying
21 the issuance of the original bond release letter;

22 (ii) a legible copy of the motor vehicle
23 importation form validated with an original United States

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1 Customs stamp, date, and signature as filed with the USDOT
2 confirming the exemption from the bond release letter required
3 in clause (i) of this subparagraph, or a copy thereof certified
4 by United States Customs;

5 (iii) a verification of motor vehicle
6 inspection by United States Customs certified on its letterhead
7 and signed by its agent verifying that the motor vehicle
8 complies with USDOT regulations;

9 (iv) a written confirmation that a physical
10 inspection of the safety certification label has been made by
11 the department and that the motor vehicle meets United States
12 motor vehicle safety standards;

13 (v) the original bond release letter,
14 verification thereof, or written confirmation from the previous
15 state verifying that a bond release letter issued by the USDOT
16 was relinquished to that jurisdiction, if the non United States
17 standard motor vehicle was last titled or registered in another
18 state for one year or less; or

19 (vi) verification from the vehicle
20 manufacturer on its letterhead stationery.

21 (b) Alterations to documentation. An alteration to a
22 registration receipt, title, manufacturer's certificate, or
23 other evidence of ownership constitutes a valid reason for the

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1 rejection of any transaction to which altered evidence is
2 attached.

3 (1) Altered lien information on any surrendered
4 evidence of ownership requires a release from the original
5 lienholder or a statement from the proper authority of the state
6 in which the lien originated. The statement must verify the
7 correct lien information.

8 (2) A strikeover that leaves any doubt about the
9 legibility of any digit in any document will not be accepted.

10 (3) A corrected manufacturer's certificate of origin
11 will be required if the manufacturer's certificate of origin
12 contains an:

13 (A) incomplete or altered vehicle identification
14 number;

15 (B) alteration or strikeover of the vehicle's
16 model year;

17 (C) alteration or strikeover to the body style,
18 or omitted body style on the manufacturer's certificate of
19 origin; or

20 (D) alteration or strikeover to the weight.

21 (4) A Statement of Fact may be requested to explain
22 errors, corrections, or conditions from which doubt does or
23 could arise concerning the legality of any instrument. A

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1 Statement of Fact will be required in all cases:

2 (A) in which the date of sale on an assignment
3 has been erased or altered in any manner; or

4 (B) of alteration or erasure on a Dealer's
5 Reassignment of Title.

6 (c) Rights of survivorship. A signed "rights of
7 survivorship" agreement may be executed by a natural person
8 acting in an individual capacity in accordance with
9 Transportation Code, §501.031.

10 (d) Identification required.

11 (1) An application for title is not acceptable unless
12 the applicant presents a current photo identification of the
13 owner containing a unique identification number and expiration
14 date. The identification document must be a:

15 (A) driver's license or state identification
16 certificate issued by a state or territory of the United States;

17 (B) United States or foreign passport;

18 (C) United States military identification card;

19 (D) North Atlantic Treaty Organization
20 identification or identification issued under a Status of Forces
21 Agreement; [~~or~~]

22 (E) United States Department of Homeland
23 Security, United States Citizenship and Immigration Services, or

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1 United States Department of State identification document; or[-]
2 (F) Concealed handgun license issued by the Texas
3 Department of Public Safety under Government Code, Chapter 411,
4 Subchapter H.

5 (2) If the motor vehicle is titled in:

6 (A) more than one name, then the identification
7 of one owner must be presented;

8 (B) the name of a leasing company, then:

9 (i) proof of the Federal Employer

10 Identification Number/Employee Identification Number (FEIN/EIN)
11 of the leasing company must be submitted, written on the
12 application, and can be entered into the department's titling
13 system. The number must correspond to the name of the leasing
14 company in which the vehicle is being titled; and

15 (ii) the leasing company may submit:

16 (I) a government issued photo
17 identification, required under paragraph (1) of this subsection,
18 of the lessee listed as the registrant; or

19 (II) a government issued photo
20 identification, required under paragraph (1) of this subsection,
21 of the employee or authorized agent who signed the application
22 for the leasing company, and the employee's or authorized
23 agent's employee identification, letter of authorization written

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1 on the lessor's letterhead, or a printed business card. The
2 printed business card, employee identification, or letter of
3 authorization written on the lessor's letterhead must contain
4 the name of the lessor, and the employee's or authorized agent's
5 name must match the name on the government issued photo
6 identification;

7 (C) the name of a trust, then a government issued
8 photo identification, required under paragraph (1) of this
9 subsection, of a trustee must be presented; or

10 (D) the name of a business, government entity, or
11 organization, then:

12 (i) proof of the Federal Employer
13 Identification Number/Employee Identification Number (FEIN/EIN)
14 of the business, government entity, or organization must be
15 submitted, written on the application, and can be entered into
16 the department's titling system. The number must correspond to
17 the name of the business, government entity, or organization in
18 which the vehicle is being titled;

19 (ii) the employee or authorized agent must
20 present a government issued photo identification, required under
21 paragraph (1) of this subsection; and

22 (iii) the employee's or authorized agent's
23 employee identification; letter of authorization written on the

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1 business', government entity's, or organization's letterhead; or
2 a printed business card. The printed business card, employee
3 identification, or letter of authorization written on the
4 business', government entity's, or organization's letterhead
5 must contain the name of the business, governmental entity, or
6 organization, and the employee's or authorized agent's name must
7 match the name on the government issued photo identification.

8 (3) In addition to the requirements of paragraphs (1)
9 and (2) of this subsection, if a power of attorney is being used
10 to apply for a title, then the applicant must show:

11 (A) identification, required under paragraph (1)
12 of this subsection, matching the person named as power of
13 attorney; or

14 (B) identification, required under paragraph (1)
15 of this subsection, and employee identification or a printed
16 business card or authorization written on the letterhead of the
17 entity named as power of attorney that matches the
18 identification of the employee if the power of attorney names an
19 entity.

20 (4) Within this subchapter, "current" is defined as
21 not to exceed 12 months after the expiration date, except that a
22 state-issued personal identification certificate issued to a
23 qualifying person is considered current if the identification

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1 states that it has no expiration.

2 (5) Within this subsection, an identification document
3 such as a printed business card, letter of authorization, or
4 power of attorney, may be an original or a photocopy.

5 (6) A person who holds a general distinguishing number
6 issued under Transportation Code, Chapter 503 or Occupations
7 Code, Chapter 2301 is exempt from submitting to the county tax
8 assessor-collector, but must retain:

9 (A) the owner's identification, as required under
10 paragraph (1) of this subsection; and

11 (B) authorization to sign, as required under
12 paragraph (2) of this subsection.

13 (7) A person who holds a general distinguishing number
14 issued under Transportation Code, Chapter 503 or Occupations
15 Code, Chapter 2301, is not required to submit photo
16 identification or authorization for an employee or agent signing
17 a title assignment with a secure power of attorney.

18

19 §217.7. Replacement of Title.

20 (a) Lost or destroyed title. If a title is lost or
21 destroyed, the department will issue a certified copy of the
22 title to the owner, the lienholder, or a verified agent of the
23 owner or lienholder in accordance with Transportation Code,

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1 Chapter 501, on proper application and payment of the
2 appropriate fee to the department.

3 (b) Identification required.

4 (1) An owner or lienholder may not apply for a
5 certified copy of title unless the applicant presents a current
6 photo identification of the owner or lienholder containing a
7 unique identification number and expiration date. The
8 identification document must be a:

9 (A) driver's license or state identification
10 certificate issued by a state or territory of the United States;

11 (B) United States or foreign passport;

12 (C) United States military identification card;

13 (D) North Atlantic Treaty Organization
14 identification or identification issued under a Status of Forces
15 Agreement; [~~or~~]

16 (E) United States Department of Homeland
17 Security, United States Citizenship and Immigration Services, or
18 United States Department of State identification document; or[-]

19 (F) Concealed handgun license issued by the Texas
20 Department of Public Safety under Government Code, Chapter 411,
21 Subchapter H.

22 (2) If the motor vehicle is titled in:

23 (A) more than one name, then the identification

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1 for each owner must be presented;

2 (B) the name of a leasing company, then the
3 lessor's employee or authorized agent who signed the application
4 for the leasing company must present:

5 (i) a government issued photo
6 identification, required under paragraph (1) of this subsection;
7 and

8 (ii) employee identification, letter of
9 authorization written on the lessor's letterhead, or a printed
10 business card. The printed business card, employee
11 identification, or letter of authorization written on the
12 lessor's letterhead must contain the name of the lessor, and the
13 employee's or authorized agent's name must match the name on the
14 government issued photo identification;

15 (C) the name of a trust, then a government issued
16 photo identification, required under paragraph (1) of this
17 subsection, of a trustee must be presented; or

18 (D) the name of a business, government entity, or
19 organization, then:

20 (i) the employee or authorized agent must
21 present a government issued photo identification, required under
22 paragraph (1) of this subsection; and

23 (ii) the employee's or authorized agent's

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1 employee identification; letter of authorization written on the
2 business', government entity's, or organization's letterhead; or
3 a printed business card. The printed business card, employee
4 identification, or letter of authorization written on the
5 business', government entity's, or organization's letterhead
6 must contain the name of the business, governmental entity, or
7 organization, and the employee's or authorized agent's name must
8 match the name on the government issued photo identification.

9 (3) In addition to the requirements of paragraphs (1)
10 and (2) of this subsection, if a power of attorney is being used
11 to apply for a certified copy of title, then the applicant must
12 show:

13 (A) identification, required under paragraph (1)
14 of this subsection, matching the person named as power of
15 attorney;

16 (B) identification, required under paragraph (1)
17 of this subsection, and employee identification or a printed
18 business card or authorization written on the letterhead of the
19 entity named as power of attorney that matches the
20 identification of the employee if the power of attorney names an
21 entity; or

22 (C) identification, required under paragraph (1)
23 of this subsection, of the owner or lienholder.

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1 (4) Within this subchapter, "current" is defined as
2 within 12 months after the expiration date, except that a state-
3 issued personal identification certificate issued to a
4 qualifying person is considered current if the identification
5 states that it has no expiration.

6 (5) Within this subsection, an identification
7 document, such as a printed business card, letter of
8 authorization, or power of attorney, may be an original or a
9 photocopy.

10 (c) Issuance. An application for a certified copy must be
11 properly executed and supported by appropriate verifiable proof
12 of the vehicle owner, lienholder, or agent regardless of whether
13 the application is submitted in person or by mail. A certified
14 copy will not be issued until after the 14th day that the
15 original title was issued.

16 (d) Denial. If issuance of a certified copy is denied, the
17 applicant may resubmit the request with the required verifiable
18 proof or may pursue the privileges available in accordance with
19 Transportation Code, §501.052 and §501.053.

20 (e) Additional copies. An additional certified copy will
21 not be issued until 30 days after issuance of the previous
22 certified copy.

23 (f) Fees. The fee for obtaining a certified copy of a title

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1 is \$2 if the application is submitted to the department by mail
2 and \$5.45 if the application is submitted in person for
3 expedited processing at one of the department's regional
4 offices.

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1 SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

2 §217.26. Identification Required.

3 (a) An application for initial registration is not
4 acceptable unless the applicant presents a current photo
5 identification of the owner containing a unique identification
6 number and expiration date. The identification document must
7 be a:

8 (1) driver's license or state identification
9 certificate issued by a state or territory of the United
10 States;

11 (2) United States or foreign passport;

12 (3) United States military identification card;

13 (4) North Atlantic Treaty Organization
14 identification or identification issued under a Status of
15 Forces Agreement; [~~or~~]

16 (5) United States Department of Homeland Security,
17 United States Citizenship and Immigration Services, or United
18 States Department of State identification document; or[-]

19 (6) Concealed handgun license issued by the Texas
20 Department of Public Safety under Government Code, Chapter
21 411, Subchapter H.

22 (b) If the motor vehicle is titled in:

23 (1) more than one name, then the identification of
24 one owner must be presented;

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1 (2) the name of a leasing company, then:

2 (A) proof of the Federal Employer

3 Identification Number/Employee Identification Number

4 (FEIN/EIN) of the leasing company must be submitted, written
5 on the application, and can be entered into the department's
6 titling system. The number must correspond to the name of the
7 leasing company in which the vehicle is being titled; and

8 (B) the leasing company may submit:

9 (i) a government issued photo

10 identification, required under this section, of the lessee
11 listed as the registrant; or

12 (ii) a government issued photo

13 identification, required under this section, of the employee
14 or authorized agent who signed the application for the leasing
15 company, and the employee's or authorized agent's employee
16 identification, letter of authorization written on the
17 lessor's letterhead, or a printed business card. The printed
18 business card, employee identification, or letter of
19 authorization written on the lessor's letterhead must contain
20 the name of the lessor, and the employee's or authorized
21 agent's name must match the name on the government issued
22 photo identification;

23 (3) the name of a trust, then a government issued
24 photo identification, required under this section, of a

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1 trustee must be presented; or

2 (4) the name of a business, government entity, or
3 organization, then:

4 (A) proof of the Federal Employer

5 Identification Number/Employee Identification Number

6 (FEIN/EIN) of the business, government entity, or organization
7 must be submitted, written on the application, and can be
8 entered into the department's titling system. The number must
9 correspond to the name of the business, government entity, or
10 organization in which the vehicle is being titled;

11 (B) the employee or authorized agent must
12 present a government issued photo identification, required
13 under this section; and

14 (C) the employee's or authorized agent's
15 employee identification; letter of authorization written on
16 the business', government entity's, or organization's
17 letterhead; or a printed business card. The printed business
18 card, employee identification, or letter of authorization
19 written on the business', government entity's, or
20 organization's letterhead must contain the name of the
21 business, governmental entity, or organization, and the
22 employee's or authorized agent's name must match the name on
23 the government issued photo identification.

24 (c) Within this section, "current" is defined as not to

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1 exceed 12 months after the expiration date, except that a
2 state-issued personal identification certificate issued to a
3 qualifying person is considered current if the identification
4 states that it has no expiration.

5 (d) Within this section, an identification document such
6 as a printed business card, letter of authorization, or power
7 of attorney, may be an original or photocopy.

8 (e) A person who holds a general distinguishing number
9 issued under Transportation Code, Chapter 503 or Occupations
10 Code, Chapter 2301, is exempt from submitting to the county
11 tax assessor-collector, but must retain:

12 (1) the owner's identification, as required under
13 this section; and

14 (2) authorization to sign, as required under this
15 section.

16 (f) A person who holds a general distinguishing number
17 issued under Transportation Code, Chapter 503 or Occupations
18 Code, Chapter 2301, is not required to submit photo
19 identification or authorization for an employee or agent
20 signing a title assignment with a secure power of attorney.

21 (g) This section does not apply to non-titled vehicles.

22

23 §217.33. Commercial Farm Motor Vehicles, Farm Trailers, and
24 Farm Semitrailers.

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1 (a) An applicant must provide a properly completed
2 application for farm plates. Except as provided by subsection
3 (d) of this section, the [The] application must be accompanied
4 by proof of the applicant's Texas Agriculture or Timber
5 Exemption Registration Number issued by the Texas Comptroller
6 of Public Accounts. Proof of the registration number must be:

7 (1) legible;

8 (2) current; and

9 (3) in the name of the person or dba in which the
10 vehicle is or will be registered, pursuant to Transportation
11 Code, §502.146 and §502.433.

12 (b) A registration renewal of farm plates must be
13 accompanied by proof of the applicant's Texas Agriculture or
14 Timber Exemption Registration Number issued by the Texas
15 Comptroller of Public Accounts.

16 (c) In accordance with Transportation Code, §502.146 and
17 §502.433, an applicant's Texas Agriculture or Timber Exemption
18 Registration Number may be verified through the online system
19 established by the Comptroller.

20 (d) A farmers' cooperative society incorporated under
21 Chapter 51, Agriculture Code, or a marketing association
22 organized under Chapter 52, Agriculture Code applying for or
23 renewing the registration of farm plates under this section is
24 not required to submit proof of the applicant's Texas

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1 Agriculture or Timber Exemption Registration issued by the
2 Texas Comptroller of Public Accounts.

3

4 §217.40. Special Registrations [~~Registration Permits~~].

5 (a) Purpose and scope. Transportation Code, Chapter 502,
6 Subchapters C and I, charge the department with the
7 responsibility of issuing special registration permits which
8 shall be recognized as legal registration for the movement of
9 motor vehicles not authorized to travel on Texas public
10 highways for lack of registration or for lack of reciprocity
11 with the state or country in which the vehicles are
12 registered. For the department to efficiently and effectively
13 perform these duties, this section prescribes the policies and
14 procedures for the application and the issuance of temporary
15 registration permits.

16 (b) Permit categories. The department will issue the
17 following categories of special registration permits.

18 (1) Additional weight permits. The owner of a truck,
19 truck tractor, trailer, or semitrailer may purchase temporary
20 additional weight permits for the purpose of transporting the
21 owner's own seasonal agricultural products to market or other
22 points for sale or processing in accordance with
23 Transportation Code, §502.434. In addition, such vehicles may
24 be used for the transportation without charge of seasonal

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1 laborers from their place of residence, and materials, tools,
2 equipment, and supplies from the place of purchase or storage,
3 to a farm or ranch exclusively for use on such farm or ranch.

4 (A) Additional weight permits are valid for a
5 limited period of less than one year.

6 (B) An additional weight permit will not be
7 issued for a period of less than one month or extended beyond
8 the expiration of a license plate issued under Transportation
9 Code, Chapter 502.

10 (C) The statutory fee for an additional weight
11 permit is based on a percentage of the difference between the
12 owner's annual registration fee and the annual fee for the
13 desired gross vehicle weight computed as follows:

14 (i) one-month (or 30 consecutive days)--10
15 percent;

16 (ii) one-quarter (three consecutive
17 months)--30 percent;

18 (iii) two-quarters (six consecutive
19 months)--60 percent; or

20 (iv) three-quarters (nine consecutive
21 months)--90 percent.

22 (D) Additional weight permits are issued for
23 calendar quarters with the first quarter to begin on April 1st
24 of each year.

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1 (E) A permit will not be issued unless the
2 registration fee for hauling the additional weight has been
3 paid prior to the actual hauling.

4 (F) An applicant must provide proof of the
5 applicant's Texas Agriculture or Timber Exemption Registration
6 Number issued by the Texas Comptroller of Public Accounts.
7 Proof of the registration number must be:

8 (i) legible;

9 (ii) current;

10 (iii) in the name of the person or dba in
11 which the vehicle is or will be registered; and

12 (iv) verifiable through the online system
13 established by the Comptroller.

14 (2) Annual permits.

15 (A) Transportation Code, §502.093 authorizes
16 the department to issue annual permits to provide for the
17 movement of foreign commercial vehicles that are not
18 authorized to travel on Texas highways for lack of
19 registration or for lack of reciprocity with the state or
20 country in which the vehicles are registered. The department
21 will issue annual permits:

22 (i) for a 12-month period designated by
23 the department which begins on the first day of a calendar
24 month and expires on the last day of the last calendar month

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1 in that annual registration period; and

2 (ii) to each vehicle or combination of
3 vehicles for the registration fee prescribed by weight
4 classification in Transportation Code, §502.253 and §502.255.

5 (B) The department will not issue annual
6 permits for the importation of citrus fruit into Texas from a
7 foreign country except for foreign export or processing for
8 foreign export.

9 (C) The following exemptions apply to vehicles
10 displaying annual permits.

11 (i) Currently registered foreign
12 semitrailers having a gross weight in excess of 6,000 pounds
13 used or to be used in combination with commercial motor
14 vehicles or truck tractors having a gross vehicle weight in
15 excess of 10,000 pounds are exempted from the requirements to
16 pay the token fee and display the associated distinguishing
17 license plate provided for in Transportation Code, §502.255.
18 An annual permit is required for the power unit only. For
19 vehicles registered in combination, the combined gross weight
20 may not be less than 18,000 pounds.

21 (ii) Vehicles registered with annual
22 permits are not subject to the optional county registration
23 fee under Transportation Code, §502.401; the optional county
24 fee for transportation projects under Transportation Code,

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1 §502.402; or the optional registration fee for child safety
2 under Transportation Code, §502.403.

3 (3) 72-hour permits and 144-hour permits.

4 (A) In accordance with Transportation Code,
5 §502.094, the department will issue a permit valid for 72
6 hours or 144 hours for the movement of commercial motor
7 vehicles, trailers, semitrailers, and motor buses owned by
8 residents of the United States, Mexico, or Canada.

9 (B) A 72-hour permit or a 144-hour permit is
10 valid for the period of time stated on the permit beginning
11 with the effective day and time as shown on the permit
12 registration receipt.

13 (C) Vehicles displaying 72-hour permits or 144-
14 hour permits are subject to vehicle safety inspection in
15 accordance with Transportation Code, §548.051, except for:

16 (i) vehicles currently registered in
17 another state of the United States, Mexico, or Canada; and

18 (ii) mobile drilling and servicing
19 equipment used in the production of gas, crude petroleum, or
20 oil, including, but not limited to, mobile cranes and hoisting
21 equipment, mobile lift equipment, forklifts, and tugs.

22 (D) The department will not issue a 72-hour
23 permit or a 144-hour permit to a commercial motor vehicle,
24 trailer, semitrailer, or motor bus apprehended for violation

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1 of Texas registration laws. Apprehended vehicles must be
2 registered under Transportation Code, Chapter 502.

3 (4) Temporary agricultural permits.

4 (A) Transportation Code, §502.092 authorizes
5 the department to issue a 30-day temporary nonresident
6 registration permit to a nonresident for any truck, truck
7 tractor, trailer, or semitrailer to be used in the movement of
8 all agriculture products produced in Texas:

9 (i) from the place of production to
10 market, storage, or railhead not more than 75 miles from the
11 place of production; or

12 (ii) to be used in the movement of
13 machinery used to harvest Texas-produced agricultural
14 products.

15 (B) The department will issue a 30-day
16 temporary nonresident registration permit to a nonresident for
17 any truck, truck tractor, trailer, or semitrailer used to move
18 or harvest farm products, produced outside of Texas, but:

19 (i) marketed or processed in Texas; or

20 (ii) moved to points in Texas for shipment
21 from the point of entry into Texas to market, storage,
22 processing plant, railhead or seaport not more than 80 miles
23 from such point of entry into Texas.

24 (C) The statutory fee for temporary

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1 agricultural permits is one-twelfth of the annual Texas
2 registration fee prescribed for the vehicle for which the
3 permit is issued.

4 (D) The department will issue a temporary
5 agricultural permit only when the vehicle is legally
6 registered in the nonresident's home state or country for the
7 current registration year.

8 (E) The number of temporary agricultural
9 permits is limited to three permits per nonresident owner
10 during any one vehicle registration year.

11 (F) Temporary agricultural permits may not be
12 issued to farm licensed trailers or semi-trailers.

13 (5) One-trip permits. Transportation Code, §502.095
14 authorizes the department to temporarily register any unladen
15 vehicle upon application to provide for the movement of the
16 vehicle for one trip, when the vehicle is subject to Texas
17 registration and not authorized to travel on the public
18 roadways for lack of registration or lack of registration
19 reciprocity.

20 (A) Upon receipt of the \$5 fee, registration
21 will be valid for one trip only between the points of origin
22 and destination and intermediate points as may be set forth in
23 the application and registration receipt.

24 (B) The department will issue a one-trip permit

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1 to a bus which is not covered by a reciprocity agreement with
2 the state or country in which it is registered to allow for
3 the transit of the vehicle only. The vehicle should not be
4 used for the transportation of any passenger or property, for
5 compensation or otherwise, unless such bus is operating under
6 charter from another state or country.

7 (C) A one-trip permit is valid for a period up
8 to 15 days from the effective date of registration.

9 (D) A one-trip permit may not be issued for a
10 trip which both originates and terminates outside Texas.

11 (E) A laden motor vehicle or a laden commercial
12 vehicle cannot display a one-trip permit. If the vehicle is
13 unregistered, it must operate with a 72-hour or 144-hour
14 permit.

15 (6) 30-day temporary registration permits.
16 Transportation Code, §502.095 authorizes the department to
17 issue a temporary registration permit valid for 30 days for a
18 \$25 fee. A vehicle operated on a 30-day temporary permit is
19 not restricted to a specific route. The permit is available
20 for:

21 (A) passenger vehicles;

22 (B) motorcycles;

23 (C) private buses;

24 (D) trailers and semitrailers with a gross

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1 weight not exceeding 10,000 pounds;

2 (E) light commercial vehicles not exceeding a
3 gross weight of 10,000 pounds; and

4 (F) a commercial vehicle exceeding 10,000
5 pounds, provided the vehicle is operated unladen.

6 (c) Application process.

7 (1) Procedure. An owner who wishes to apply for a
8 temporary registration permit for a vehicle which is otherwise
9 required to be registered in accordance with this subchapter,
10 must do so on a form prescribed by the department.

11 (2) Form requirements. The application form will at
12 a minimum require:

13 (A) the signature of the owner;

14 (B) the name and complete address of the
15 applicant; and

16 (C) the vehicle description.

17 (3) Fees and documentation. The application must be
18 accompanied by:

19 (A) statutorily prescribed fees;

20 (B) evidence of financial responsibility:

21 (i) as required by Transportation Code,
22 Chapter 502, Subchapter B, provided that all policies written
23 for the operation of motor vehicles must be issued by an
24 insurance company or surety company authorized to write motor

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1 vehicle liability insurance in Texas; or

2 (ii) if the applicant is a motor carrier
3 as defined by §218.2 of this title (relating to Definitions),
4 indicating that the vehicle is registered in compliance with
5 Chapter 218, Subchapter B of this title (relating to Motor
6 Carrier Registration); and

7 (C) any other documents or fees required by
8 law.

9 (4) Place of application.

10 (A) All applications for annual permits must be
11 submitted directly to the department for processing and
12 issuance.

13 (B) Additional weight permits and temporary
14 agricultural permits may be obtained by making application
15 with the department through the county tax assessor-
16 collectors' offices.

17 (C) 72-hour and 144-hour permits, one-trip
18 permits, and 30-day temporary registration permits may be
19 obtained by making application either with the department or
20 the county tax assessor-collectors' offices.

21 [~~(d) Display of registration insignia. The department~~
22 ~~will issue a specially designed tag or windshield validation~~
23 ~~sticker, upon receipt of a complete application for a permit.]~~

24 [~~(1) Tags shall be displayed in a manner that is~~

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1 ~~clearly visible and legible when viewed from outside of the~~
2 ~~vehicle. The tag shall be attached to or displayed in the~~
3 ~~vehicle to allow ready inspection.]~~

4 ~~[(2) Windshield validation stickers shall be~~
5 ~~displayed on the inside of the front windshield in the lower~~
6 ~~left corner.]~~

7 (d) Receipt for permit in lieu of registration.[(+3)] A
8 receipt will be issued for each permit in lieu of registration
9 ~~[insignia as evidence of registration]~~ to be carried in the
10 vehicle during the time the permit is valid. A one-trip or 30-
11 day trip permit must be displayed as required by
12 Transportation Code, §502.095(f). If the receipt is lost or
13 destroyed, the owner must obtain a duplicate from the
14 department or from the county office ~~[who issued the original~~
15 ~~receipt]~~. The fee for the duplicate receipt is the same as the
16 fee required by Transportation Code, §502.058.

17 (e) Transfer of temporary ~~[registration]~~ permits.

18 (1) Temporary ~~[registration]~~ permits are non-
19 transferable between vehicles and/or owners.

20 (2) If the owner of a vehicle displaying a temporary
21 ~~[registration]~~ permit disposes of the vehicle during the time
22 the permit is valid, the permit must be returned to the county
23 tax assessor-collector office or department immediately.

24 (f) Replacement permits. Vehicle owners displaying annual

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1 permits may obtain replacement permits if an annual permit is
2 lost, stolen, or mutilated.

3 (1) The fee for a replacement annual permit is the
4 same as for a replacement number plate, symbol, tab, or other
5 device as provided by Transportation Code, §502.060.

6 (2) The owner shall apply directly to the department
7 in writing for the issuance of a replacement annual permit.
8 Such request should include a copy of the registration receipt
9 and replacement fee.

10 (g) Agreements with other jurisdictions. In accordance
11 with Transportation Code, §502.091, and Chapter 648, the
12 executive director of the department may enter into a written
13 agreement with an authorized officer of a state, province,
14 territory, or possession of a foreign country to provide for
15 the exemption from payment of registration fees by
16 nonresidents, if residents of this state are granted
17 reciprocal exemptions. The executive director may enter into
18 such agreement only upon:

19 (1) the approval of the governor; and

20 (2) making a determination that the economic
21 benefits to the state outweigh all other factors considered.

22 (h) Border commercial zones.

23 (1) Texas registration required. A vehicle located
24 in a border commercial zone must display a valid Texas

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1 registration if the vehicle is owned by a person who:

2 (A) owns a leasing facility or a leasing
3 terminal located in Texas; and

4 (B) leases the vehicle to a foreign motor
5 carrier.

6 (2) Exemption for trips of short duration. Except as
7 provided by paragraph (1) of this subsection, a foreign
8 commercial vehicle operating in accordance with Transportation
9 Code, Chapter 648 is exempt from the display of a temporary
10 registration permit if:

11 (A) the vehicle is engaged solely in the
12 transportation of cargo across the border into or from a
13 border commercial zone;

14 (B) for each load of cargo transported the
15 vehicle remains in this state for:

16 (i) not more than 24 hours; or

17 (ii) not more than 48 hours, if:

18 (I) the vehicle is unable to leave
19 this state within 24 hours because of circumstances beyond the
20 control of the motor carrier operating the vehicle; and

21 (II) all financial responsibility
22 requirements applying to this vehicle are satisfied;

23 (C) the vehicle is registered and licensed as
24 required by the country in which the person that owns the

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1 vehicle is domiciled or is a citizen as evidenced by a valid
2 metal license plate attached to the front or rear exterior of
3 the vehicle; and

4 (D) the country in which the person who owns
5 the vehicle is domiciled or is a citizen provides a reciprocal
6 exemption for commercial motor vehicles owned by residents of
7 Texas.

8 (3) Exemption due to reciprocity agreement. Except
9 as provided by paragraph (1) of this subsection, a foreign
10 commercial motor vehicle in a border commercial zone in this
11 state is exempt from the requirement of obtaining a Texas
12 registration if the vehicle is currently registered in another
13 state of the United States or a province of Canada with which
14 this state has a reciprocity agreement that exempts a vehicle
15 that is owned by a resident of this state and that is
16 currently registered in this state from registration in the
17 other state or province.

18

19 §217.43. Military Specialty License Plates.

20 (a) Purpose and Scope. Transportation Code, Chapter 504
21 authorizes the department to issue military specialty license
22 plates. This section prescribes the policies and procedures
23 for the application, issuance, and renewal of military
24 specialty license plates.

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1 (b) Classification and fees. The department will issue
2 specialty plates for the military and charge fees as
3 authorized by Transportation Code, §504.202 and Chapter 504,
4 Subchapter D.

5 ~~[(1) Meritorious Service. There are no fees for the~~
6 ~~first set of specialty license plates. Registration fees and~~
7 ~~any additional fees will be collected at the time of~~
8 ~~registration for additional sets. These plates include:]~~

9 ~~[(A) Congressional Medal of Honor;]~~

10 ~~[(B) Legion of Valor, consisting of Air Force~~
11 ~~Cross, Distinguished Flying Cross, Distinguished Service Cross~~
12 ~~and Navy Cross;]~~

13 ~~[(C) Legion of Merit;]~~

14 ~~[(D) Silver Star;]~~

15 ~~[(E) Bronze Star and Bronze Star with Valor;]~~

16 ~~[(F) Distinguished Service Medal;]~~

17 ~~[(G) Defense Superior Service Medal; and]~~

18 ~~[(H) Air Medal and Air Medal with Valor.]~~

19 ~~[(2) Recognition Award. The first set of specialty~~
20 ~~license plates is \$3 and no registration fee is collected.~~
21 ~~Registration fees and any additional fees will be collected at~~
22 ~~the time of registration for additional sets. These plates~~
23 ~~include:]~~

24 ~~[(A) Former Prisoner of War (POW);]~~

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1 [~~(B) Disabled Veteran;~~]

2 [~~(C) Purple Heart; and~~]

3 [~~(D) Pearl Harbor Survivor.]~~

4 [~~(3) Issued to members or former members of the U.S.~~

5 ~~Armed Forces. There is no charge for the specialty plate,~~

6 ~~however, registration fees and any additional fees collected~~

7 ~~at the time of registration apply. These plates include:]~~

8 [~~(A) World War II, Korea, Vietnam Operations,~~

9 ~~Iraqi Freedom, Enduring Freedom, Enduring Freedom Afghanistan,~~

10 ~~Desert Storm and Desert Shield;]~~

11 [~~(B) Coast Guard Auxiliary;]~~

12 [~~(C) Armed Forces Reserved;]~~

13 [~~(D) U.S. Paratrooper;]~~

14 [~~(E) Marine Corps League;]~~

15 [~~(F) Texas Guard (National and State);]~~

16 [~~(G) Texas Wing Civil Air Patrol;]~~

17 [~~(H) Woman Veteran;]~~

18 [~~(I) U.S. Air Force;]~~

19 [~~(J) U.S. Army;]~~

20 [~~(K) U.S. Coast Guard;]~~

21 [~~(L) U.S. Marine Corps; or]~~

22 [~~(M) U.S. Navy.]~~

23 [~~(4) Honorably discharged and retired. The following~~

24 ~~license plates may include the words "Honorably Discharged" or~~

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1 ~~"Retired" if the applicant is a former member of one of the~~
2 ~~following branches of the U.S. Armed Forces and meets~~
3 ~~eligibility criteria as established in Transportation Code,~~
4 ~~Chapter 504:]~~

5 [~~(A) U.S. Air Force;~~]

6 [~~(B) U.S. Army;~~]

7 [~~(C) U.S. Coast Guard;~~]

8 [~~(D) U.S. Marine Corps; or~~]

9 [~~(E) U.S. Navy.]~~

10 [~~(c) Surviving spouse license plates.]~~

11 [~~(1) The surviving spouse of a deceased Disabled~~
12 ~~Veteran may apply for "Surviving Spouse Disabled Veteran"~~
13 ~~specialty license plates, if proof exists that Disabled~~
14 ~~Veteran License Plates were issued to the veteran prior to the~~
15 ~~time of death, and the surviving spouse remains unmarried. The~~
16 ~~first set of specialty license plates is \$3 and no~~
17 ~~registration fee is collected. Registration fees and~~
18 ~~additional fees will be collected at the time of registration~~
19 ~~for additional sets.]~~

20 [~~(2) The surviving spouse of a deceased veteran who,~~
21 ~~prior to death, had been issued other military specialty~~
22 ~~plates, may apply for and continue to register one vehicle and~~
23 ~~pay the fee applicable for that military specialty license~~
24 ~~plate. The surviving spouse must remain unmarried to remain~~

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1 ~~eligible.]~~

2 (c)~~(d)~~ Application. Applications for military specialty
3 license plates must be made to the department and include
4 evidence of eligibility. The evidence of eligibility may
5 include, but is not limited to:

6 (1) an official document issued by a governmental
7 entity;

8 (2) a letter issued by a governmental entity on that
9 agency's letterhead;

10 (3) discharge papers; ~~[or]~~

11 (4) a death certificate; or~~[-]~~

12 (5) an identification card issued by any branch of
13 the military under the jurisdiction of the United States
14 Department of Defense or the United States Department of
15 Homeland Security indicating that the member is retired.

16 (d)~~(e)~~ Period.

17 ~~[(1) Military Vehicle license plates and~~
18 ~~registration numbers are issued for a five year period.]~~

19 ~~[(2)]~~ The registration for Congressional Medal of
20 Honor license plates expires each March 31. All other
21 specialty plates for the military may be replaced in
22 accordance with §217.32 of this title (relating to Replacement
23 of License Plates, Symbols, Tabs, and Other Devices).

24 (e)~~(f)~~ Assignment and Transfer. Military plates may not

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1 be assigned and may only be transferred to another vehicle
2 owned by the same vehicle owner.

3 (f)~~(g)~~ Applicability. Section 217.45 of this title
4 (relating to Specialty License Plates, Symbols, Tabs, and
5 Other Devices) applies to military plates, symbols, tabs, or
6 other devices as to:

7 (1) what is considered one set of plates per vehicle
8 as determined by vehicle type;

9 (2) issuance of validation tabs and insignia;

10 (3) stolen or replaced plates;

11 (4) payment of other applicable fees;

12 (5) personalization, except that Congressional Medal
13 of Honor plates may not be personalized;

14 (6) renewal, except that the owner of a vehicle with
15 Congressional Medal of Honor license plates must return the
16 documentation and specialty license plate fee, if any,
17 directly to the department;

18 (7) refunds; and

19 (8) expiration.

20

21 §217.45. Specialty License Plates, Symbols, Tabs, and Other
22 Devices.

23 (a) Purpose and Scope. Transportation Code, Chapters 504
24 and 551 charge the department with providing specialty license

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1 plates, symbols, tabs, and other devices. For the department
2 to perform these duties efficiently and effectively, this
3 section prescribes the policies and procedures for the
4 application, issuance, and renewal of specialty license
5 plates, symbols, tabs, and other devices, through the county
6 tax assessor-collectors, and establishes application fees,
7 expiration dates, and registration periods for certain
8 specialty license plates. This section does not apply to
9 military license plates except as provided by §217.43 of this
10 title (relating to Military Specialty License Plates).

11 (b) Initial application for specialty license plates,
12 symbols, tabs, or other devices.

13 (1) Application Process.

14 (A) Procedure. An owner of a vehicle registered
15 as specified in this subchapter who wishes to apply for a
16 specialty license plate, symbol, tab, or other device must do
17 so on a form prescribed by the director.

18 (B) Form requirements. The application form
19 shall at a minimum require the name and complete address of
20 the applicant.

21 (2) Fees and Documentation.

22 (A) The application must be accompanied by the
23 prescribed registration fee, unless exempted by statute.

24 (B) The application must be accompanied by the

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1 statutorily prescribed specialty license plate fee. If a
2 registration period is greater than 12 months, the expiration
3 date of a specialty license plate, symbol, tab, or other
4 device will be aligned with the registration period and the
5 specialty plate fee will be adjusted to yield the appropriate
6 fee. If the statutory annual fee for a specialty license plate
7 is \$5 or less, it will not be prorated.

8 (C) Specialty license plate fees will not be
9 refunded after an application is submitted and the department
10 has approved issuance of the license plate.

11 (D) The application must be accompanied by
12 prescribed local fees or other fees that are collected in
13 conjunction with registering a vehicle, with the exception of
14 vehicles bearing license plates that are exempt by statute
15 from these fees.

16 (E) The application must include evidence of
17 eligibility for any specialty license plates. The evidence of
18 eligibility may include, but is not limited to:

19 (i) an official document issued by a
20 governmental entity; or

21 (ii) a letter issued by a governmental
22 entity on that agency's letterhead.

23 (F) Initial applications for license plates for
24 display on Exhibition Vehicles must include a photograph of

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1 the completed vehicle.

2 (3) Place of application. Applications for specialty
3 license plates may be made directly to the county tax
4 assessor-collector, except that applications for the following
5 license plates must be made directly to the department:

6 (A) County Judge;

7 (B) Federal Administrative Law Judge;

8 (C) State Judge;

9 (D) State Official;

10 (E) U.S. Congress--House;

11 (F) U.S. Congress--Senate; and

12 (G) U.S. Judge.

13 (4) Gift plates.

14 (A) A person may purchase general distribution
15 specialty license plates as a gift for another person if the
16 purchaser submits an application for the specialty license
17 plates that provides:

18 (i) the name and address of the person who
19 will receive the plates; and

20 (ii) the vehicle identification number of
21 the vehicle on which the plates will be displayed.

22 (B) To be valid for use on a motor vehicle, the
23 recipient of the plates must file an application with the
24 county tax assessor-collector and pay the statutorily required

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1 registration fees in the amount as provided by Transportation
2 Code, Chapter 502 and this subchapter.

3 (c) Initial issuance of specialty license plates,
4 symbols, tabs, or other devices.

5 (1) Issuance. On receipt of a completed initial
6 application for registration, accompanied by the prescribed
7 documentation and fees, the department will issue specialty
8 license plates, symbols, tabs, or other devices to be
9 displayed on the vehicle for which the license plates,
10 symbols, tabs, or other devices were issued for the current
11 registration period. If the vehicle for which the specialty
12 license plates, symbols, tabs, or other devices are issued is
13 currently registered, the owner must surrender the license
14 plates currently displayed on the vehicle, along with the
15 corresponding license receipt, before the specialty license
16 plates may be issued.

17 (2) Classic Motor Vehicles, [~~Vehicle~~], Classic
18 Travel Trailers, [~~Trailer~~], [~~and~~] Custom Vehicles, Street Rods
19 and Exhibition Vehicles. [~~Vehicle~~]

20 (A) License plates. Texas license plates that
21 were issued the same year as the model year of a Classic Motor
22 Vehicle, Travel Trailer, Street Rod, or Exhibition Vehicle may
23 be displayed on that vehicle under Transportation Code,
24 §504.501 and §504.502, unless:

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1 (i) the license plate's original use was
2 restricted by statute to another vehicle type;

3 (ii) the license plate is a qualifying
4 plate type that originally required the owner to meet one or
5 more eligibility requirements; or

6 (iii) the alpha numeric pattern is already
7 in use on another vehicle.

8 (B) Validation stickers and tabs. The
9 department will issue validation stickers and tabs for display
10 on license plates that are displayed as provided by
11 subparagraph (A) of this paragraph.

12 (3) Number of plates issued.

13 (A) Two plates. Unless otherwise listed in
14 subparagraph (B) of this paragraph, two specialty license
15 plates, each bearing the same license plate number, will be
16 issued per vehicle.

17 (B) One plate. One license plate will be issued
18 per vehicle for all motorcycles and for the following
19 specialty license plates:

20 (i) Antique Vehicle (includes Antique
21 Auto, Antique Truck, Antique Motorcycle, and Antique Bus);

22 (ii) Classic Travel Trailer;

23 (iii) Rental Trailer;

24 (iv) Travel Trailer;

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- 1 (v) Cotton Vehicle;
2 (vi) Disaster Relief;
3 (vii) Forestry Vehicle;
4 (viii) Golf Cart;
5 (ix) Log Loader; and
6 (x) Military Vehicle.

7 (C) Registration number. The identification
8 number assigned by the military may be approved as the
9 registration number instead of displaying Military Vehicle
10 license plates on a former military vehicle.

11 (4) Assignment of plates.

12 (A) Title holder. Unless otherwise exempted by
13 law or this section, the vehicle on which specialty license
14 plates, symbols, tabs, or other devices is to be displayed
15 shall be titled in the name of the person to whom the
16 specialty license plates, symbols, tabs, or other devices is
17 assigned, or a title application shall be filed in that
18 person's name at the time the specialty license plates,
19 symbols, tabs, or other devices are issued.

20 (B) Non-owner vehicle. If the vehicle is titled
21 in a name other than that of the applicant, the applicant must
22 provide evidence of having the legal right of possession and
23 control of the vehicle.

24 (C) Leased vehicle. In the case of a leased

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1 vehicle, the applicant must provide a copy of the lease
2 agreement verifying that the applicant currently leases the
3 vehicle.

4 (5) Classification of neighborhood electric
5 vehicles. The registration classification of a neighborhood
6 electric vehicle, as defined by §217.3(3) of this title
7 (relating to Motor Vehicle Titles) will be determined by
8 whether it is designed as a 4-wheeled truck or a 4-wheeled
9 passenger vehicle.

10 (6) Number of vehicles. An owner may obtain
11 specialty license plates, symbols, tabs, or other devices for
12 an unlimited number of vehicles, unless the statute limits the
13 number of vehicles for which the specialty license plate may
14 be issued.

15 (7) Personalized plate numbers.

16 (A) Issuance. The department will issue a
17 personalized license plate number subject to the exceptions
18 set forth in this paragraph.

19 (B) Character limit. A personalized license
20 plate number may contain no more than six alpha or numeric
21 characters or a combination of characters. Depending upon the
22 specialty license plate design and vehicle class, the number
23 of characters may vary. Spaces, hyphens, periods, hearts,
24 stars, the International Symbol of Access, or silhouettes of

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1 the state of Texas may be used in conjunction with the license
2 plate number.

3 (C) Personalized plates not approved. A
4 personalized license plate number will not be approved by the
5 executive director if the alpha-numeric pattern:

6 (i) conflicts with the department's
7 current or proposed regular license plate numbering system;

8 (ii) would violate §217.27 of this title
9 (relating to Vehicle Registration Insignia), as determined by
10 the executive director; or

11 (iii) is currently issued to another
12 owner.

13 (D) Classifications of vehicles eligible for
14 personalized plates. Unless otherwise listed in subparagraph
15 (E) of this paragraph, personalized plates are available for
16 all classifications of vehicles.

17 (E) Categories of plates for which personalized
18 plates are not available. Personalized license plate numbers
19 are not available for display on the following specialty
20 license plates:

21 (i) Amateur Radio (other than the official
22 call letters of the vehicle owner);

23 (ii) Antique Motorcycle;

24 (iii) Antique Vehicle (includes Antique

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1 Auto, Antique Truck, and Antique Bus);

2 (iv) Apportioned;

3 (v) Cotton Vehicle;

4 (vi) Disaster Relief;

5 (vii) Farm Trailer (except Go Texan II);

6 (viii) Farm Truck (except Go Texan II);

7 (ix) Farm Truck Tractor (except Go Texan

8 II);

9 (x) Fertilizer;

10 (xi) Forestry Vehicle;

11 (xii) Log Loader;

12 (xiii) Machinery;

13 (xiv) Permit;

14 (xv) Rental Trailer;

15 (xvi) Soil Conservation; and

16 (xvii) Texas Guard.

17 (F) Fee. Unless specified by statute, a

18 personalized license plate fee of \$40 will be charged in

19 addition to any prescribed specialty license plate fee.

20 (G) Priority. Once a personalized license plate

21 number has been assigned to an applicant, the owner shall have

22 priority to that number for succeeding years if a timely

23 renewal application is submitted to the county tax assessor-

24 collector each year in accordance with subsection (d) of this

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1 section.

2 (d) Specialty license plate renewal.

3 (1) Renewal deadline. If a personalized license
4 plate is not renewed within 60 days after its expiration date,
5 a subsequent renewal application will be treated as an
6 application for new personalized license plates.

7 (2) Length of validation. With the following
8 exceptions, all specialty license plates, symbols, tabs, or
9 other devices shall be valid for 12 months from the month of
10 issuance or for a prorated period of at least 12 months
11 coinciding with the expiration of registration.

12 (A) Five-year period. Antique Vehicle (includes
13 Antique Auto, Antique Truck, and Antique Bus) and Antique
14 Motorcycle license plates, Antique tabs, and registration
15 numbers are issued for a five-year period.

16 (B) Seven-year period. Foreign Organization
17 license plates and registration numbers are issued for a
18 seven-year period.

19 (C) March expiration dates. The registration
20 for Cotton Vehicle and Disaster Relief license plates expires
21 each March 31.

22 (D) June expiration dates. The registration for
23 the Honorary Consul license plate expires each June 30.

24 (E) September expiration dates. The

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1 registration for the Log Loader license plate expires each
2 September 30.

3 (F) December expiration dates. The registration
4 for the following license plates expires each December 31:

5 (i) County Judge;

6 (ii) Federal Administrative Law Judge;

7 (iii) State Judge;

8 (iv) State Official;

9 (v) U.S. Congress--House;

10 (vi) U.S. Congress--Senate; and

11 (vii) U.S. Judge.

12 (G) Except as otherwise provided in this
13 paragraph, if a vehicle's registration period is other than 12
14 months, the expiration date of the specialty license plate,
15 symbol, tab, or other device will be set to align it with the
16 expiration of registration.

17 (3) Renewal.

18 (A) Renewal notice. Approximately 60 days
19 before the expiration date of a specialty license plate,
20 symbol, tab, or other device, the department will send each
21 owner a renewal notice that includes the amount of the
22 specialty plate fee and the registration fee.

23 (B) Return of notice. The owner must return the
24 fee and any prescribed documentation to the tax assessor-

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1 collector of the county in which the owner resides, except
2 that the owner of a vehicle with one of the following license
3 plates must return the documentation and specialty license
4 plate fee, if applicable, directly to the department and
5 submit the registration fee to the county tax assessor-
6 collector:

- 7 (i) County Judge;
- 8 (ii) Federal Administrative Law Judge;
- 9 (iii) State Judge;
- 10 (iv) State Official;
- 11 (v) U.S. Congress--House;
- 12 (vi) U.S. Congress--Senate; and
- 13 (vii) U.S. Judge.

14 (C) Expired plate numbers. The department will
15 retain a specialty license plate number for 60 days after the
16 expiration date of the plates if the plates are not renewed on
17 or before their expiration date. After 60 days the number may
18 be reissued to a new applicant. All specialty license plate
19 renewals received after the expiration of the 60 days will be
20 treated as new applications.

21 (D) Issuance of validation insignia. On receipt
22 of a completed license plate renewal application and
23 prescribed documentation, the department will issue
24 registration validation insignia as specified in §217.27

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1 unless this section or other law requires the issuance of new
2 license plates to the owner.

3 (E) Lost or destroyed renewal notices. If a
4 renewal notice is lost, destroyed, or not received by the
5 vehicle owner, the specialty license plates, symbol, tab, or
6 other device may be renewed if the owner provides acceptable
7 personal identification along with the appropriate fees and
8 documentation. Failure to receive the notice does not relieve
9 the owner of the responsibility to renew the vehicle's
10 registration.

11 (e) Transfer of specialty license plates.

12 (1) Transfer between vehicles.

13 (A) Transferable between vehicles. The owner of
14 a vehicle with specialty license plates, symbols, tabs, or
15 other devices may transfer the specialty plates between
16 vehicles by filing an application through the county tax
17 assessor-collector if the vehicle to which the plates are
18 transferred:

19 (i) is titled or leased in the owner's
20 name; and

21 (ii) meets the vehicle classification
22 requirements for that particular specialty license plate,
23 symbol, tab, or other device.

24 (B) Non-transferable between vehicles. The

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1 following specialty license plates, symbols, tabs, or other
2 devices are non-transferable between vehicles:

3 (i) Antique Vehicle license plates

4 (includes Antique Auto, Antique Truck, and Antique Bus),

5 Antique Motorcycle license plates, and Antique tabs;

6 (ii) Classic Auto, Classic Truck, Classic

7 Motorcycle, Classic Travel Trailer, Street Rod, and Custom

8 Vehicle license plates;

9 (iii) Forestry Vehicle license plates; and

10 (iv) Log Loader license plates.

11 (C) New specialty license plates. If the

12 department creates a new specialty license plate under

13 Transportation Code, §504.801, the department will specify at

14 the time of creation whether the license plate may be

15 transferred between vehicles.

16 (2) Transfer between owners.

17 (A) Non-transferable between owners. Specialty

18 license plates, symbols, tabs, or other devices issued under

19 Transportation Code, Chapter 504, Subchapters C, E, and F are

20 not transferable from one person to another except as

21 specifically permitted by statute.

22 (B) New specialty license plates. If the

23 department creates a new specialty license plate under

24 Transportation Code, §504.801, the department will specify at

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1 the time of creation whether the license plate may be
2 transferred between owners.

3 (3) Simultaneous transfer between owners and
4 vehicles. Specialty license plates, symbols, tabs, or other
5 devices are transferable between owners and vehicles
6 simultaneously only if the owners and vehicles meet all the
7 requirements in both paragraphs (1) and (2) of this
8 subsection.

9 (f) Replacement.

10 (1) Application. When specialty license plates,
11 symbols, tabs, or other devices are lost, stolen, or
12 mutilated, the owner shall apply directly to the county tax
13 assessor-collector for the issuance of replacements, except
14 that Log Loader license plates must be reapplied for and
15 accompanied by the prescribed fees and documentation.

16 (2) Temporary registration insignia. If the
17 specialty license plate, symbol, tab, or other device is lost,
18 destroyed, or mutilated to such an extent that it is unusable,
19 and if issuance of a replacement license plate would require
20 that it be remanufactured, the owner must pay the statutory
21 replacement fee, and the department will issue a temporary tag
22 for interim use. The owner's new specialty license plate
23 number will be shown on the temporary tag unless it is a
24 personalized license plate, in which case the same

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1 personalized license plate number will be shown.

2 (3) Stolen specialty license plates.

3 (A) The department or county tax assessor-
4 collector will not approve the issuance of replacement license
5 plates with the same personalized license plate number if the
6 department's records indicate either the vehicle displaying
7 the personalized license plates or the license plates are
8 reported as stolen to law enforcement. The owner will be
9 directed to contact the department for another personalized
10 plate choice.

11 (B) The owner may select a different
12 personalized number to be issued at no charge with the same
13 expiration as the stolen specialty plate. On recovery of the
14 stolen vehicle or license plates, the department will issue,
15 at the owner's or applicant's request, replacement license
16 plates, bearing the same personalized number as those that
17 were stolen.

18 (g) License plates created after January 1, 1999. In
19 accordance with Transportation Code, §504.702, the department
20 will begin to issue specialty license plates authorized by a
21 law enacted after January 1, 1999, only if the sponsoring
22 entity for that license plate submits the following items
23 before the fifth anniversary of the effective date of the law.

24 (1) The sponsoring entity must submit a written

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1 application. The application must be on a form approved by the
2 director and include, at a minimum:

3 (A) the name of the license plate;

4 (B) the name and address of the sponsoring
5 entity;

6 (C) the name and telephone number of a person
7 authorized to act for the sponsoring entity; and

8 (D) the deposit.

9 (2) A sponsoring entity is not an agent of the
10 department and does not act for the department in any matter,
11 and the department does not assume any responsibility for fees
12 or applications collected by a sponsoring entity.

13 (h) Assignment procedures for state, federal, and county
14 officials.

15 (1) State Officials. State Official license plates
16 contain the distinguishing prefix "SO." Members of the state
17 legislature may be issued up to three sets of State Official
18 specialty license plates with the distinguishing prefix "SO,"
19 or up to three sets of State Official specialty license plates
20 that depict the state capitol, and do not display the
21 distinguishing prefix "SO." An application by a member of the
22 state legislature, for a State Official specialty license
23 plate, must specify the same specialty license plate design
24 for each applicable vehicle. State Official license plates are

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1 assigned in the following order:

2 (A) Governor;

3 (B) Lieutenant Governor;

4 (C) Speaker of the House;

5 (D) Attorney General;

6 (E) Comptroller;

7 (F) Land Commissioner;

8 (G) Agriculture Commissioner;

9 (H) Secretary of State;

10 (I) Railroad Commission Presiding Officer

11 followed by the remaining members based on their seniority;

12 (J) Supreme Court Chief Justice followed by the

13 remaining justices based on their seniority;

14 (K) Criminal Court of Appeals Presiding Judge

15 followed by the remaining judges based on their seniority;

16 (L) Members of the State Legislature, with

17 Senators assigned in order of district number followed by

18 Representatives assigned in order of district number, except

19 that in the event of redistricting, license plates will be

20 reassigned; and

21 (M) Board of Education Presiding Officer

22 followed by the remaining members assigned in district number

23 order, except that in the event of redistricting, license

24 plates will be reassigned.

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1 (2) Members of the U.S. Congress.

2 (A) U.S. Senate license plates contain the
3 prefix "Senate" and are assigned by seniority; and

4 (B) U.S. House license plates contain the
5 prefix "House" and are assigned in order of district number,
6 except that in the event of redistricting, license plates will
7 be reassigned.

8 (3) Federal Judge.

9 (A) Federal Judge license plates contain the
10 prefix "USA" and are assigned on a seniority basis within each
11 court in the following order:

12 (i) Judges of the Fifth Circuit Court of
13 Appeals;

14 (ii) Judges of the United States District
15 Courts;

16 (iii) United States Bankruptcy Judges; and

17 (iv) United States Magistrates.

18 (B) Federal Administrative Law Judge plates
19 contain the prefix "US" and are assigned in the order in which
20 applications are received.

21 (C) A federal judge who retired on or before
22 August 31, 2003, and who held license plates expiring in March
23 2004 may continue to receive federal judge plates. A federal
24 judge who retired after August 31, 2003, is not eligible for

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1 U.S. Judge license plates.

2 (4) State Judge.

3 (A) State Judge license plates contain the
4 prefix "TX" and are assigned sequentially in the following
5 order:

6 (i) Appellate District Courts;

7 (ii) Presiding Judges of Administrative
8 Regions;

9 (iii) Judicial District Courts;

10 (iv) Criminal District Courts; and

11 (v) Family District Courts and County

12 Statutory Courts.

13 (B) A particular alpha-numeric combination will
14 always be assigned to a judge of the same court to which it
15 was originally assigned.

16 (C) A state judge who retired on or before
17 August 31, 2003, and who held license plates expiring in March
18 2004 may continue to receive state judge plates. A state judge
19 who retired after August 31, 2003, is not eligible for State
20 Judge license plates.

21 (5) County Judge license plates contain the prefix
22 "CJ" and are assigned by county number.

23 (6) In the event of redistricting or other plate
24 reallocation, the department may allow a state official to

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1 retain that official's plate number if the official has had
2 the number for five or more consecutive years.

3 (i) Development of new specialty license plates.

4 (1) Procedure. The following procedure governs the
5 process of authorizing new specialty license plates under
6 Transportation Code, §504.801, whether the new license plate
7 originated as a result of an application or as a department
8 initiative.

9 (2) Applications for the creation of new specialty
10 license plates. An applicant for the creation of a new
11 specialty license plate, other than a vendor specialty plate
12 under §217.52 of this title (relating to Marketing of
13 Specialty License Plates through a Private Vendor), must
14 submit a written application on a form approved by the
15 executive director. The application must include:

16 (A) the applicant's name, address, telephone
17 number, and other identifying information as directed on the
18 form;

19 (B) certification on Internal Revenue Service
20 letterhead stating that the applicant is a not-for-profit
21 entity;

22 (C) a draft design of the specialty license
23 plate;

24 (D) projected sales of the plate, including an

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1 explanation of how the projected figure was established;

2 (E) a marketing plan for the plate, including a
3 description of the target market;

4 (F) a licensing agreement from the appropriate
5 third party for any intellectual property design or design
6 element;

7 (G) a letter from the executive director of the
8 sponsoring state agency stating that the agency agrees to
9 receive and distribute revenue from the sale of the specialty
10 license plate and that the use of the funds will not violate a
11 statute or constitutional provision; and

12 (H) other information necessary for the Board
13 to reach a decision regarding approval of the requested
14 specialty plate.

15 (3) Review process. The Board:

16 (A) will not consider incomplete applications;

17 (B) may request additional information from an
18 applicant if necessary for a decision; and

19 (C) will consider specialty license plate
20 applications that are restricted by law to certain individuals
21 or groups of individuals (qualifying plates) using the same
22 procedures as applications submitted for plates that are
23 available to everyone (non-qualifying plates).

24 (4) Request for additional information. If the Board

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1 determines that additional information is needed, the
2 applicant must return the requested information not later than
3 the requested due date. If the additional information is not
4 received by that date, the Board will return the application
5 as incomplete unless the Board:

6 (A) determines that the additional requested
7 information is not critical for consideration and approval of
8 the application; and

9 (B) approves the application, pending receipt
10 of the additional information by a specified due date.

11 (5) Board decision. The Board's decision will be
12 based on:

13 (A) compliance with Transportation Code,
14 §504.801;

15 (B) the proposed license plate design,
16 including:

17 (i) whether the design appears to meet the
18 legibility and reflectivity standards established by the
19 department;

20 (ii) whether the design meets the
21 standards established by the department for uniqueness;

22 (iii) other information provided during
23 the application process;

24 (iv) the criteria designated in §217.27 as

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1 applied to the design; and

2 (v) whether a design is similar enough to
3 an existing plate design that it may compete with the existing
4 plate sales; and

5 (C) the applicant's ability to comply with
6 Transportation Code, §504.702 relating to the required deposit
7 or application that must be provided before the manufacture of
8 a new specialty license plate.

9 (6) Public comment on proposed design. All proposed
10 plate designs will be considered by the Board as an agenda
11 item at a regularly or specially called open meeting. Notice
12 of consideration of proposed plate designs will be posted in
13 accordance with Office of the Secretary of State meeting
14 notice requirements. Notice of each license plate design will
15 be posted on the department's Internet website to receive
16 public comment at least 25 days in advance of the meeting at
17 which it will be considered. The department will notify all
18 other specialty plate organizations and the sponsoring
19 agencies who administer specialty license plates issued in
20 accordance with Transportation Code, Chapter 504, Subchapter
21 G, of the posting. A comment on the proposed design can be
22 submitted in writing through the mechanism provided on the
23 department's Internet website for submission of comments.
24 Written comments are welcome and must be received by the

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1 department at least 10 days in advance of the meeting. Public
2 comment will be received at the Board's meeting.

3 (7) Final approval.

4 (A) Approval. The Board will approve or
5 disapprove the specialty license plate application based on
6 all of the information provided pursuant to this subchapter at
7 an open meeting.

8 (B) Application not approved. If the
9 application is not approved under subparagraph (A) of this
10 paragraph, the applicant may submit a new application and
11 supporting documentation for the design to be considered again
12 by the Board if:

13 (i) the applicant has additional, required
14 documentation; or

15 (ii) the design has been altered to an
16 acceptable degree.

17 (8) Issuance of specialty plates.

18 (A) If the specialty license plate is approved,
19 the applicant must comply with Transportation Code, §504.702
20 before any further processing of the license plate.

21 (B) Approval of the plate does not guarantee
22 that the submitted draft plate design will be used. The Board
23 has final approval authority of all specialty license plate
24 designs and may adjust or reconfigure the submitted draft

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1 design to comply with the format or license plate
2 specifications.

3 (C) If the Board, in consultation with the
4 applicant, adjusts or reconfigures the design, the adjusted or
5 reconfigured design will not be posted on the department's
6 website for additional comments.

7 (9) Redesign of specialty license plate.

8 (A) Upon receipt of a written request from the
9 applicant, the department will allow redesign of a specialty
10 license plate.

11 (B) A request for a redesign must meet all
12 application requirements and proceed through the approval
13 process of a new specialty plate as required by this
14 subsection.

15 (C) An approved license plate redesign does not
16 require the deposit required by Transportation Code, §504.702,
17 but the applicant must pay a redesign cost to cover
18 administrative expenses.

19 (j) Golf carts.

20 (1) A county tax assessor-collector may issue golf
21 cart license plates as long as the requirements under
22 Transportation Code, §551.403 or §551.404 are met.

23 (2) A county tax assessor-collector may only issue
24 golf cart license plates to residents or property owners of

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1 the issuing county.

2 (3) A golf cart license plate may not be used as a
3 registration insignia, and a golf cart may not be registered
4 for operation on a public highway.

5 (4) The license plate fee for a golf cart license
6 plate is \$10.

7

8 §217.46. Commercial Vehicle Registration.

9 (a) Eligibility. A motor vehicle, other than a
10 motorcycle, designed or used primarily for the transportation
11 of property, including any passenger car that has been
12 reconstructed to be used, and is being used, primarily for
13 delivery purposes, with the exception of a passenger car used
14 in the delivery of the United States mails, must be registered
15 as a commercial vehicle.

16 (b) Commercial vehicle registration classifications.

17 (1) Apportioned license plates. Apportioned license
18 plates are issued in lieu of Combination, Motor Bus, or Truck
19 license plates to Texas carriers who proportionally register
20 their fleets in other states, in conformity with §217.56 of
21 this title (relating to Registration Reciprocity Agreements).

22 (2) City bus license plates. A street or suburban
23 bus shall be registered with license plates bearing the legend
24 "City Bus."

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1 (3) Combination license plates.

2 (A) Specifications. A truck or truck tractor
3 with a gross weight in excess of 10,000 pounds used or to be
4 used in combination with a semitrailer having a gross weight
5 in excess of 6,000 pounds, may be registered with combination
6 license plates. Such vehicles must be registered for a gross
7 weight equal to the combined gross weight of all the vehicles
8 in the combination, but not less than 18,000 pounds. Only one
9 combination license plate is required and must be displayed on
10 the front of the truck or truck tractor. When displaying a
11 combination license plate, a truck or truck tractor is not
12 restricted to pulling a semitrailer licensed with a Token
13 Trailer license plate and may legally pull semitrailers and
14 full trailers displaying other types of Texas license plates
15 or license plates issued out of state. The following vehicles
16 may not [~~are not required to~~] be registered in combination:

17 (i) trucks or truck tractors having a
18 gross weight of less than 10,000 pounds or trucks or truck
19 tractors to be used exclusively in combination with
20 semitrailers having gross weights not exceeding 6,000 pounds;

21 (ii) semitrailers with gross weights of
22 6,000 pounds or less, or semitrailers that are to be operated
23 exclusively with trucks or truck tractors having gross weight
24 of less than 10,000 pounds;

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1 (iii) trucks or truck tractors used
2 exclusively in combination with semitrailer-type vehicles
3 displaying Machinery, Permit, or Farm Trailer license plates;

4 (iv) trucks or truck tractors used
5 exclusively in combination with travel trailers and
6 manufactured housing;

7 (v) trucks or truck tractors to be
8 registered with Farm Truck or Farm Truck Tractor license
9 plates;

10 (vi) trucks or truck tractors and
11 semitrailers to be registered with disaster relief license
12 plates;

13 (vii) trucks or truck tractors and
14 semitrailers to be registered with Soil Conservation license
15 plates;

16 (viii) trucks or truck tractors and
17 semitrailers to be registered with U.S. Government license
18 plates or Exempt license plates issued by the State of Texas;
19 and

20 (ix) vehicles that are to be issued
21 temporary permits, such as 72-Hour Permits, 144-Hour Permits,
22 One Trip Permits, or 30-Day Permits in accordance with
23 Transportation Code, §502.094 and §502.095.

24 (B) Converted semitrailers. Semitrailers that

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1 are converted to full trailers by means of auxiliary axle
2 assemblies will retain their semitrailer status, and such
3 semitrailers are subject to the combination and token trailer
4 registration requirements.

5 (C) Axle assemblies. Various types of axle
6 assemblies that are specially designed for use in conjunction
7 with other vehicles or combinations of vehicles may be used to
8 increase the load capabilities of such vehicles or
9 combinations.

10 (i) Auxiliary axle assemblies such as
11 trailer axle converters, jeep axles, and drag axles, which are
12 used in conjunction with truck tractor and semitrailer
13 combinations, are not required to be registered; however, the
14 additional weight that is acquired by the use of such axle
15 assemblies must be included in the combined gross weight of
16 the combination.

17 (ii) Ready-mixed concrete trucks that have
18 an auxiliary axle assembly installed for the purpose of
19 increasing a load capacity of such vehicles must be registered
20 for a weight that includes the axle assembly.

21 (D) Exchange of Combination license plates.
22 Combination license plates shall not be exchanged for another
23 type of registration during the registration year, except
24 that:

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1 (i) if a major permanent reconstruction
2 change occurs, Combination license plates may be exchanged for
3 Truck license plates, provided that a corrected title is
4 applied for;

5 (ii) if the department initially issues
6 Combination license plates in error, the plates will be
7 exchanged for license plates of the proper classification;

8 (iii) if the department initially issues
9 Truck or Trailer license plates in error to vehicles that
10 should have been registered in combination, such plates will
11 be exchanged for Combination and Token Trailer license plates;
12 or

13 (iv) if a Texas apportioned carrier
14 acquires a combination license power unit, the Combination
15 license plates will be exchanged for Apportioned license
16 plates.

17 (4) Cotton Vehicle license plates. The department
18 will issue Cotton Vehicle license plates in accordance with
19 Transportation Code, §504.505 and §217.45 of this title
20 (relating to Specialty License Plates, Symbols, Tabs, and
21 Other Devices).

22 (5) Forestry Vehicle license plates. The department
23 will issue Forestry Vehicle license plates in accordance with
24 Transportation Code, §504.507 and §217.45 of this title.

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1 (6) In Transit license plates. The department may
2 issue an In Transit license plate annually to any person,
3 firm, or corporation engaged in the primary business of
4 transporting and delivering by means of the full mount, saddle
5 mount, tow bar, or any other combination, new vehicles and
6 other vehicles from the manufacturer or any other point of
7 origin to any point of destination within the State. Each new
8 vehicle being transported, delivered, or moved under its own
9 power in accordance with this paragraph must display an In
10 Transit license plate in accordance with Transportation Code,
11 §503.035.

12 (7) Motor Bus license plates. A motor bus as well as
13 a taxi and other vehicles that transport passengers for
14 compensation or hire, must display Motor Bus license plates
15 when operated outside the limits of a city or town, or
16 adjacent suburb, in which its company is franchised to do
17 business.

18 (8) Token Trailer license plates.

19 (A) Qualification. The department will issue
20 Token Trailer license plates for semitrailers that are
21 required to be registered in combination.

22 (B) Validity. A Token Trailer license plate is
23 valid only when it is displayed on a semitrailer that is being
24 pulled by a truck or a truck tractor that has been properly

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1 registered with Forestry Vehicle (in accordance with
2 Transportation Code, §504.507), Combination (in accordance
3 with Transportation Code, §502.255), or Apportioned (in
4 accordance with Transportation Code, §502.091) license plates
5 for combined gross weights that include the weight of the
6 semitrailer, unless exempted by Transportation Code, §502.094
7 and §623.011.

8 (C) House-moving dollies. House-moving dollies
9 are to be registered with Token Trailer license plates and
10 titled as semitrailers; however, only one such dolly in a
11 combination is required to be registered and titled. The
12 remaining dolly (or dollies) is permitted to operate
13 unregistered, since by the nature of its construction, it is
14 dependent upon another such vehicle in order to function. The
15 pulling unit must display a Combination or Apportioned license
16 plate.

17 (D) Full trailers. The department will not
18 issue a Token Trailer license plate for a full trailer.

19 (9) Tow Truck license plates. A Tow Truck license
20 plate must be obtained for all tow trucks operating and
21 registered in this state. The department will not issue a Tow
22 Truck license plate unless the Texas Department of Licensing
23 and Regulation has issued a permit for the tow truck under
24 Occupations Code, Chapter 2308, Subchapter C. [~~to tow trucks~~

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1 ~~that are not registered in compliance with Transportation~~
2 ~~Code, Chapter 643.]~~

3 (c) Application for commercial vehicle registration.

4 (1) Application form. An applicant shall apply for
5 commercial license plates through the appropriate county tax
6 assessor-collector upon forms prescribed by the director and
7 shall require, at a minimum, the following information:

8 (A) owner name and complete address;

9 (B) complete description of vehicle, including
10 empty weight; and

11 (C) motor number or serial number.

12 (2) Empty weight determination.

13 (A) The weight of a Motor Bus shall be the
14 empty weight plus carrying capacity, in accordance with
15 Transportation Code, §502.055.

16 (B) The weight of a vehicle cannot be lowered
17 below the weight indicated on a Manufacturer's Certificate of
18 Origin unless a corrected Manufacturer's Certificate of Origin
19 is obtained.

20 (C) In all cases where the department questions
21 the empty weight of a particular vehicle, the applicant should
22 present a weight certificate from a public weight scale or the
23 Department of Public Safety.

24 (3) Gross weight.

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1 (A) Determination of Weight. The combined gross
2 weight of vehicles registering for combination license plates
3 shall be determined by the empty weight of the truck or truck
4 tractor combined with the empty weight of the heaviest
5 semitrailer or semitrailers used or to be used in combination
6 therewith, plus the heaviest net load to be carried on such
7 combination during the motor vehicle registration year,
8 provided that in no case may the combined gross weight be less
9 than 18,000 pounds.

10 (B) Restrictions. The following restrictions
11 apply to combined gross weights.

12 (i) After a truck or truck tractor is
13 registered for a combined gross weight, such weight cannot be
14 lowered at any subsequent date during the registration year.
15 The owner may, however, lower the gross weight when
16 registering the vehicle for the following registration year,
17 provided that the registered combined gross weight is
18 sufficient to cover the heaviest load to be transported during
19 the year and provided that the combined gross weight is not
20 less than 18,000 pounds.

21 (ii) A combination of vehicles is
22 restricted to a total gross weight not to exceed 80,000
23 pounds; however, all combinations may not qualify for 80,000
24 pounds unless such weight can be properly distributed in

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1 accordance with axle load limitations, tire size, and distance
2 between axles, in accordance with Transportation Code,
3 §623.011.

4 (4) Motor number or serial number. Ownership must be
5 established by a court order if no motor or serial number can
6 be identified. Once ownership has been established, the
7 department will assign a number upon payment of the fee.

8 (5) Accompanying documentation. Unless otherwise exempted by
9 law, completed applications for commercial license plates
10 shall be accompanied by:

11 (A) prescribed registration fees;

12 (B) prescribed local fees or other fees that
13 are collected in conjunction with registering a vehicle;

14 (C) evidence of financial responsibility as
15 required by Transportation Code, §502.046 if the applicant is
16 a motor carrier as defined by §218.2 of this title (relating
17 to Definitions), proof of financial responsibility may be in
18 the form of a registration listing or an international stamp
19 indicating that the vehicle is registered in compliance with
20 Chapter 218, Subchapter B of this title (relating to Motor
21 Carrier Registration);

22 (D) an application for Texas Title in
23 accordance with Subchapter A of this chapter, or other proof
24 of ownership;

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1 (E) proof of payment of the Federal Heavy
2 Vehicle Use Tax, if applicable;

3 (F) an original or certified copy of the
4 current permit issued in accordance with Occupations Code,
5 Chapter 2308, Subchapter C, [~~Certificate of Registration~~
6 ~~issued in accordance with Transportation Code, Chapter 643,~~]
7 if application is being made for Tow Truck license plates; and

8 (G) other documents or fees required by law.

9 (6) Proof of payment required. Proof of payment of
10 the Federal Heavy Vehicle Use Tax is required for vehicles
11 with a gross registration weight of 55,000 pounds or more, or
12 in cases where the vehicle's gross weight is voluntarily
13 increased to 55,000 pounds or more. Proof of payment shall
14 consist of an original or photocopy of the Schedule 1 portion
15 of Form 2290 receipted by the Internal Revenue Service (IRS),
16 or a copy of the Form 2290 with Schedule 1 attached as filed
17 with the IRS, along with a photocopy of the front and back of
18 the canceled check covering the payment to the IRS.

19 (7) Proof of payment not required. Proof of payment
20 of the Federal Heavy Vehicle Use Tax is not required:

21 (A) for new vehicles when an application for
22 title and registration is supported by a Manufacturer's
23 Certificate of Origin;

24 (B) on used vehicles when an application for

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1 title and registration is filed within 60 days from the date
2 of transfer to the applicant as reflected on the assigned
3 title, except that proof of payment will be required when an
4 application for Texas title and registration is accompanied by
5 an out-of-state title that is recorded in the name of the
6 applicant;

7 (C) when a vehicle was previously wrecked, in
8 storage, or otherwise out of service and, therefore, not
9 registered or operated during the current registration year or
10 during the current tax year, provided that a non-use affidavit
11 is signed by the operator; and

12 (D) as a prerequisite to registration of
13 vehicles apprehended for operating without registration or
14 reciprocity or when an owner or operator purchases temporary
15 operating permits or additional weight.

16 (d) Renewal of commercial license plates.

17 (1) Registration period. The department will
18 establish the registration period for commercial vehicles,
19 unless specified by statute. Commercial license plates are
20 issued for established annual registration periods as follows.

21 (A) March expiration. The following license
22 plates are issued for the established annual registration
23 period of April 1st through March 31st of the following year:

24 (i) City Bus license plates;

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1 (ii) Combination license plates; and

2 (iii) Motor Bus license plates.

3 (B) Five-year registration with March 31st
4 expiration. The following license plates are available with a
5 five-year registration period. Registration fees for the
6 license plates listed below may be paid on an annual basis, or
7 may be paid up front for the entire five-year period:

8 (i) Five-year Rental Trailer license
9 plates issued for rental trailers that are part of a rental
10 fleet; and

11 (ii) Five-year Token Trailer license
12 plates, available to owners of semitrailers to be used in
13 combination with truck-tractors displaying Apportioned or
14 Combination license plates.

15 (2) License Plate Renewal Notice. The department
16 will mail a License Plate Renewal Notice, indicating the
17 proper registration fee and the month and year the
18 registration expires, to each vehicle owner approximately six
19 to eight weeks prior to the expiration of the vehicle's
20 registration.

21 (3) Return of License Plate Renewal Notices. License
22 Plate Renewal Notices should be returned by the vehicle owner
23 to the department or the appropriate county tax assessor-
24 collector, as indicated on the License Plate Renewal Notice.

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1 Unless otherwise exempted by law, License Plate Renewal
2 Notices may be returned either in person or by mail, and shall
3 be accompanied by:

4 (A) statutorily prescribed registration renewal
5 fees;

6 (B) prescribed local fees or other fees that
7 are collected in conjunction with registration renewal;

8 (C) evidence of financial responsibility as
9 required by Transportation Code, §502.046; and

10 (D) other prescribed documents or fees.

11 (4) Lost or destroyed License Plate Renewal Notice.

12 If a License Plate Renewal Notice is lost, destroyed, or not
13 received by the vehicle owner, the vehicle may be registered
14 if the owner presents personal identification acceptable to
15 the county tax assessor-collector. Failure to receive the
16 notice does not relieve the owner of the responsibility to
17 renew the vehicle's registration.

18 (e) Transfer of commercial vehicle license plates.

19 (1) Transfer between persons. With the exceptions
20 noted in paragraph (3) of this subsection, when ownership of a
21 vehicle displaying commercial vehicle license plates is
22 transferred, application for transfer of such license plates
23 shall be made with the county tax assessor-collector in the
24 county in which the purchaser resides. If the purchaser does

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1 not intend to use the vehicle in a manner that would qualify
2 it for the license plates issued to that vehicle, such plates
3 must be exchanged for the appropriate license plates.

4 (2) Transfer between vehicles. Commercial vehicle
5 license plates are non-transferable between vehicles.

6 (3) Transfer of Apportioned and Tow Truck license
7 plates. Apportioned and Tow Truck license plates are non-
8 transferable between persons or vehicles, and become void if
9 the vehicle to which the license plates were issued is sold.

10 (f) Replacement of lost, stolen, or mutilated commercial
11 vehicle license plates. An owner of lost, stolen, or mutilated
12 commercial vehicle license plates may obtain replacement
13 license plates by filing an Application for Replacement Plates
14 and remitting the prescribed fee to the county tax assessor-
15 collector of the county in which the owner resides.

16

17 §217.54. Registration of Fleet Vehicles.

18 (a) Scope. A registrant may consolidate the registration
19 of multiple motor vehicles, including trailers and semi-
20 trailers, in a fleet instead of registering each vehicle
21 separately. This section prescribes the policies and
22 procedures for fleet registration.

23 (b) Eligibility. A fleet must meet the following
24 requirements to be eligible for fleet registration.

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1 (1) No fewer than twenty-five vehicles will be
2 registered as a fleet;

3 (2) Vehicles may be registered in annual increments
4 for up to eight years;

5 (3) All vehicles in a fleet must be owned by or
6 leased to the same business entity;

7 (4) All vehicles must be vehicles that are not
8 registered under the International Registration Plan; and

9 (5) Each vehicle must currently be titled in Texas
10 or be issued a registration receipt, or the registrant must
11 submit an application for a title or registration for each
12 vehicle.

13 (c) Application.

14 (1) Application for fleet registration must be in a
15 form prescribed by the department. At a minimum the form will
16 require:

17 (A) the full name and complete address of the
18 registrant;

19 (B) a description of each vehicle in the fleet,
20 which may include the vehicle's model year, make, model,
21 vehicle identification number, document number, body style,
22 gross weight, empty weight, and for a commercial vehicle,
23 manufacturer's rated carrying capacity in tons;

24 (C) the existing license plate number, if any,

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1 assigned to each vehicle; and

2 (D) any other information that the department
3 may require.

4 (2) The application must be accompanied by the
5 following items:

6 (A) in the case of a leased vehicle, a
7 certification that the vehicle is currently leased to the
8 person to whom the fleet registration will be issued;

9 (B) registration fees prescribed by law for the
10 entire registration period selected by the registrant;

11 (C) local fees or other fees prescribed by law
12 and collected in conjunction with registering a vehicle for
13 the entire registration period selected by the registrant;

14 (D) evidence of financial responsibility for
15 each vehicle as required by Transportation Code, §502.046,
16 unless otherwise exempted by law;

17 (E) annual proof of payment of Heavy Vehicle
18 Use Tax;

19 (F) the state's portion of the vehicle
20 inspection fee for the vehicle inspections conducted in Texas;
21 and

22 (G) any other documents or fees required by
23 law.

24 (d) Registration period.

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1 (1) The fleet owner will designate a single
2 registration period for a fleet so the registration period for
3 each vehicle will expire on the same date.

4 (2) The fleet registration period will begin on the
5 first day of a calendar month and end on the last day of a
6 calendar month.

7 (e) Insignia.

8 (1) As evidence of registration, the department will
9 issue distinguishing insignia for each vehicle in a fleet.

10 (2) The insignia shall be included on the license
11 plate and affixed to the vehicle.

12 (3) The insignia shall be attached to the rear
13 license plate if the vehicle has no windshield.

14 (4) The registration receipt for each vehicle shall
15 at all times be carried in that vehicle and be available to
16 law enforcement personnel.

17 (5) Insignia may not be transferred between
18 vehicles, owners, or registrants.

19 (f) Fleet composition.

20 (1) A registrant may add a vehicle to a fleet at any
21 time during the registration period. An added vehicle will be
22 given the same registration period as the fleet and will be
23 issued fleet registration insignia.

24 (2) A registrant may remove a vehicle from a fleet

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1 at any time during the registration period. The fleet
2 registrant shall return the fleet registration insignia for
3 that vehicle to the department at the time the vehicle is
4 removed from the fleet. Credit for any vehicle removed from
5 the fleet for the remaining full year increments can be
6 applied to any vehicle added to the fleet or at the time of
7 renewal. No refunds will be given if credit is not used or the
8 account is closed.

9 (3) If the number of vehicles in an account falls
10 below twenty-five during the registration period, fleet
11 registration will remain in effect. If the number of vehicles
12 in an account is below twenty-five at the end of the
13 registration period, fleet registration will be canceled. In
14 the event of cancellation, each vehicle shall be registered
15 separately. The registrant shall immediately return all fleet
16 registration insignia to the department.

17 (g) Fees.

18 (1) When a fleet is first established, the
19 department will charge a registration fee for each vehicle for
20 the entire registration period selected. A currently
21 registered vehicle, however, will be given credit for any
22 remaining time on its separate registration.

23 (2) When a vehicle is added to an existing fleet,
24 the department will charge a registration fee that is prorated

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1 based on the number of months of fleet registration remaining.
2 If the vehicle is currently registered, this fee will be
3 adjusted to provide credit for the number of months of
4 separate registration remaining.

5 (3) When a vehicle is removed from fleet
6 registration, it will be considered to be registered
7 separately. The vehicle's separate registration will expire on
8 the date that the fleet registration would have expired. The
9 registrant must pay the statutory replacement fee to obtain
10 regular registration insignia before the vehicle may be
11 operated on a public highway.

12 (h) Payment. Payment will be made in the manner
13 prescribed by the department.

14 (i) Cancellation.

15 (1) The department will cancel registration for non-
16 payment and lack of proof of annual payment of the Heavy
17 Vehicle Use Tax.

18 (2) The department may cancel registration on any
19 fleet vehicle that is not in compliance with the inspection
20 requirements under Transportation Code, Chapter 548 and the
21 Texas Department of Public Safety rules regarding inspection
22 requirements on the anniversary date(s) of the registration.

23 (3) A vehicle with a cancelled registration may not
24 be operated on a public highway.

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1 (4) If the department cancels the registration of a
2 vehicle under this subsection, the registrant can request the
3 department to reinstate the registration by doing the
4 following:

5 (A) complying with the requirements for which
6 the department cancelled the registration;

7 (B) providing the department with notice of
8 compliance on a form prescribed by the department; and

9 (C) for a registration cancelled under
10 paragraph 2 of this subsection, paying an administrative fee
11 in the amount of \$10.

12 (5) A registrant is only eligible for reinstatement
13 of the registration within 90 calendar days of the
14 department's notice of cancellation.

15 (6) If a registrant fails to timely reinstate the
16 registration of a cancelled vehicle registration under this
17 section, the registrant:

18 (A) is not entitled to a credit or refund of
19 any registration fees for the vehicle; and

20 (B) must immediately return the registration
21 insignia to the department.

22 (j) Inspection fee. The registrant must pay the
23 department by the deadline listed in the invoice for the
24 state's portion of the vehicle inspection fee for a vehicle

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1 inspection conducted in Texas.

2

3 §217.55. Exempt and Alias Vehicle Registration.

4 (a) Exempt plate registration.

5 (1) Issuance. Pursuant to Transportation Code,

6 §502.453 or §502.456, certain vehicles [~~a vehicle~~] owned by

7 and used exclusively in the service of a governmental agency,

8 owned by a commercial transportation company and used

9 exclusively for public school transportation services,

10 designed and used for fire-fighting or owned by a volunteer

11 fire department and used in the conduct of department

12 business, [~~or~~] privately owned and used in volunteer county

13 marine law enforcement activities, used by law enforcement

14 under an alias for covert criminal investigations, owned by

15 units of the United States Coast Guard Auxiliary headquartered

16 in Texas and used exclusively for conduct of United States

17 Coast Guard or Coast Guard Auxiliary business and operations,

18 or owned or leased by a non-profit emergency medical service

19 provider is exempt from payment of a registration fee and is

20 eligible for exempt plates.

21 (2) Application for exempt registration.

22 (A) Application. An application for exempt

23 plates shall be made to the county tax assessor-collector,

24 shall be made on a form prescribed by the department, and

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1 shall contain the following information:

2 (i) vehicle description;

3 (ii) name of the exempt agency;

4 (iii) an affidavit executed by an

5 authorized person stating that the vehicle is owned or under

6 the control of and will be operated by the exempt agency; and

7 (iv) a certification that each vehicle

8 listed on the application has the name of the exempt agency

9 printed on each side of the vehicle in letters that are at

10 least two inches high or in an emblem that is at least 100

11 square inches in size and of a color sufficiently different

12 from the body of the vehicle as to be clearly legible from a

13 distance of 100 feet.

14 (B) Emergency medical service vehicle.

15 ~~[(i) Exempt registration may be issued for~~

16 ~~a vehicle that is owned or leased by a non profit emergency~~

17 ~~medical service provider; a municipality or county; or a non~~

18 ~~profit emergency medical service provider chief or supervisor~~

19 ~~in accordance with Transportation Code, §502.456.]~~

20 (i)[~~(ii)~~] The application for exempt

21 registration must contain the vehicle description, the name of

22 the emergency medical service provider, and a statement signed

23 by an officer of the emergency medical service provider

24 stating that the vehicle is used exclusively as an emergency

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1 response vehicle and qualifies for registration under
2 Transportation Code, §502.456.

3 (ii)~~(iii)~~ A copy of an emergency medical
4 service provider license issued by the Department of State
5 Health Services must accompany the application.

6 (C) Fire-fighting vehicle. The application for
7 exempt registration of a fire-fighting vehicle or vehicle
8 owned privately ~~or~~ by a volunteer fire department and used
9 exclusively in the conduct of department business must contain
10 the vehicle description, including a description of any fire-
11 fighting equipment mounted on the vehicle if the vehicle is a
12 fire-fighting vehicle. The affidavit must be executed by the
13 person who has the proper authority and shall state either:
14 [~~that:~~]

15 (i) the vehicle is [~~privately owned and~~
16 ~~is~~] designed and used exclusively for fire-fighting; or

17 (ii) the vehicle is owned by a volunteer
18 fire department and is used exclusively in the conduct of its
19 business.

20 (D) County marine law enforcement vehicle. The
21 application for exempt registration of a privately owned
22 vehicle used by a volunteer exclusively in county marine law
23 enforcement activities, including rescue operations, under the
24 direction of the sheriff's department verifying that fact.

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1 (E) United States Coast Guard Auxiliary vehicle. The
2 application for exempt registration of a vehicle owned by
3 units of the United States Coast Guard Auxiliary headquartered
4 in Texas and used exclusively for conduct of United States
5 Coast Guard or Coast Guard Auxiliary business and operation,
6 including search and rescue, emergency communications, and
7 disaster operations, must include a statement by a person
8 having authority to act for the United States Coast Guard
9 Auxiliary that the vehicle or trailer is used exclusively in
10 fulfillment of an authorized mission of the United States
11 Coast Guard or Coast Guard Auxiliary, including search and
12 rescue, emergency communications, or disaster operations.

13 (3) Exception. A vehicle may be exempt from payment
14 of a registration fee, but display license plates other than
15 exempt plates if the vehicle is not registered under
16 subsection (b) of this section.

17 (A) If the applicant is a law enforcement
18 office, the applicant must present a certification that each
19 vehicle listed on the application will be dedicated to law
20 enforcement activities.

21 (B) If the applicant is exempt from the
22 inscription requirements under Transportation Code, §721.003,
23 the applicant must present a certification that each vehicle
24 listed on the application is exempt from inscription

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1 requirements under Transportation Code, §721.003. The
2 applicant must also provide a citation to the section that
3 exempts the vehicle.

4 (C) If the applicant is exempt from the
5 inscription requirements under Transportation Code, §721.005
6 the applicant must present a certification that each vehicle
7 listed on the application is exempt from inscription
8 requirements under Transportation Code, §721.005. The
9 applicant must also provide a copy of the order or ordinance
10 that exempts the vehicle.

11 (D) If the applicant is exempt from the
12 inscription requirements under Education Code, §51.932, the
13 applicant must present a certification that each vehicle
14 listed on the application is exempt from the inscription
15 requirements under Education Code, §51.932. Exempt plates will
16 be marked with the replacement year.

17 (b) Affidavit for issuance of exempt registration under
18 an alias.

19 (1) On receipt of an affidavit for alias exempt
20 registration, approved by the executive administrator of an
21 exempt law enforcement agency, the department will issue alias
22 exempt license plates for a vehicle and register the vehicle
23 under an alias for the law enforcement agency's use in covert
24 criminal investigations.

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1 (2) The affidavit for alias exempt registration must
2 be in a form prescribed by the director and must include the
3 vehicle description, a sworn statement that the vehicle will
4 be used in covert criminal investigations, and the signature
5 of the executive administrator or the executive
6 administrator's designee as provided in paragraph (3) of this
7 subsection. The vehicle registration insignia of any vehicles
8 no longer used in covert criminal investigations shall be
9 surrendered immediately to the department.

10 (3) The executive administrator, by annually filing
11 an authorization with the director, may appoint a staff
12 designee to execute the affidavit. A new authorization must be
13 filed when a new executive administrator takes office.

14 (4) The letter of authorization must contain a sworn
15 statement delegating the authority to sign the affidavit to a
16 designee, the name of the designee, and the name and the
17 signature of the executive administrator.

18 (5) The affidavit for alias exempt registration must
19 be accompanied by a title application under §217.103 of this
20 title (relating to Restitution Liens). The application must
21 contain the information required by the department to create
22 the alias record of vehicle registration and title.

23 (c) Replacement of exempt registration.

24 (1) If an exempt plate is lost, stolen, or

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1 mutilated, a properly executed application for exempt plates
2 must be submitted to the county tax assessor-collector.

3 (2) An application for replacement exempt plates
4 must contain the vehicle description, original license number,
5 and the sworn statement that the license plates furnished for
6 the vehicle have been lost, stolen, or mutilated and will not
7 be used on any other vehicle.

8 (d) Title requirements. Unless exempted by statute, a
9 vehicle must be titled at the time the exempt registration is
10 issued.

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1 SUBCHAPTER D. NON-REPAIRABLE AND SALVAGE MOTOR VEHICLES

2 §217.88. Sale, Transfer, or Release of Ownership of a Non-
3 repairable or Salvage Motor Vehicle.

4 (a) With a non-repairable or salvage motor vehicle title.

5 The ownership of a motor vehicle for which a non-repairable or
6 salvage vehicle title has been issued, including a motor
7 vehicle that has a "Flood Damage" notation on the title, may
8 be sold, transferred, or released to anyone, except that an
9 insurance company may sell, transfer, or release ownership of
10 a motor vehicle for which a non-repairable or salvage vehicle
11 title has been issued, only to:

12 (1) a salvage vehicle dealer;

13 (2) an out-of-state buyer;

14 (3) a buyer in a casual sale; or

15 (4) a metal recycler.

16 (b) Without a non-repairable or salvage motor vehicle
17 title. If a non-repairable or salvage vehicle title or
18 comparable out-of-state ownership document has not been issued
19 for a non-repairable or salvage motor vehicle, only a salvage
20 vehicle dealer, metal recycler, or governmental entity may
21 sell, transfer, or otherwise release ownership of the motor
22 vehicle. A salvage vehicle dealer, metal recycler, or
23 governmental entity may only sell, transfer, or otherwise
24 transfer ownership of a motor vehicle to which this subsection

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1 applies to:

2 (1) a salvage vehicle dealer;

3 (2) a metal recycler;

4 (3) a governmental entity;

5 (4) an insurance company; or

6 (5) an out-of-state buyer.

7 (c) Sale of self-insured non-repairable or salvage motor
8 vehicle. The owner of a self-insured non-repairable or salvage
9 motor vehicle that has been damaged and removed from normal
10 operation shall obtain a non-repairable or salvage vehicle
11 title before selling or otherwise transferring ownership of
12 the motor vehicle.

13 (d) Casual sales. A salvage vehicle dealer, salvage pool
14 operator, or insurance company may sell up to five non-
15 repairable or salvage motor vehicles, for which non-repairable
16 or salvage vehicle titles have been issued, to a person in a
17 casual sale during a calendar year.

18 (e) Records of casual sales.

19 (1) A salvage vehicle dealer, salvage pool operator,
20 or insurance company must maintain records of each casual sale
21 made during the previous 36 months, in accordance with
22 Transportation Code, §501.108, [~~§501.105,~~] that at a minimum
23 contain:

24 (A) the date of sale;

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1 (B) the sales price;

2 (C) the name and address of the purchaser;

3 (D) a legible photocopy of the purchaser's
4 government-issued photo identification;

5 (E) the form of identification provided, the
6 identification document number, and the name of the
7 jurisdiction that issued the identification document;

8 (F) the description of the motor vehicle,
9 including the vehicle identification number, model year, make,
10 body style, and model;

11 (G) a photocopy of the front and back of the
12 properly assigned ownership document provided to the
13 purchaser; and

14 (H) the purchaser's certification, on a form
15 provided by the department, that the purchase of motor
16 vehicles in a casual sale is not intended to circumvent the
17 provisions of Transportation Code, Chapter 501 (relating to
18 Certificates of Title) and Occupations Code, Chapter 2302
19 (relating to Salvage Vehicle Dealers).

20 (2) Records may be maintained on a form provided by
21 the department or in an electronic format.

22 (3) Records must be maintained on the business
23 premises of the seller, and shall be made available for
24 inspection upon request.

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1 (f) Export-only sales.

2 (1) In accordance with Transportation Code,
3 §501.099, only a licensed salvage vehicle dealer, including a
4 salvage pool operator acting as agent for an insurance
5 company, or governmental entity may sell a non-repairable or
6 salvage motor vehicle to a person who resides outside the
7 United States, and only:

8 (A) when a non-repairable or salvage vehicle
9 title has been issued for the motor vehicle prior to offering
10 it for export-only sale; and

11 (B) prior to the sale, the seller obtains a
12 legible photocopy of a government-issued photo identification
13 of the purchaser that can be verified by law enforcement,
14 issued by the jurisdiction in which the purchaser resides that
15 may consist of:

16 (i) a passport;

17 (ii) a driver's license;

18 (iii) consular identity document;

19 (iv) national identification certificate
20 or identity document; or

21 (v) other government-issued identification
22 that includes the name of the jurisdiction issuing the
23 document, the purchaser's full name, foreign address, date of
24 birth, photograph, and signature.

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1 (2) The seller must obtain the purchaser's
2 certification, on a form prescribed by the department, that
3 the purchaser will remove the motor vehicle from the United
4 States and will not return the motor vehicle to any state of
5 the United States as a motor vehicle titled or registered
6 under its manufacturer's vehicle identification number.

7 (3) The seller must provide the buyer with a
8 properly assigned non-repairable or salvage vehicle title.

9 (4) The seller must stamp FOR EXPORT ONLY and the
10 seller's salvage vehicle dealer license number or the
11 governmental entity's name, whichever applies, on the face of
12 the title and on any unused reassignments on the back of the
13 title.

14 (g) Records of export-only sales.

15 (1) A salvage vehicle dealer or governmental entity
16 that sells a non-repairable or salvage motor vehicle for
17 export-only must maintain records of all export-only sales.

18 (2) Records of each sale must include:

19 (A) a legible copy of the stamped and properly
20 assigned non-repairable or salvage vehicle title;

21 (B) the buyer's certified statement required by
22 subsection (f)(2) of this section;

23 (C) a legible copy of the buyer's photo
24 identification document;

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1 (D) a legible copy of any other documents
2 related to the sale of the motor vehicle; and

3 (E) a listing of each motor vehicle sold for
4 export-only that states the:

5 (i) date of sale;

6 (ii) name and address of the seller;

7 (iii) name and address of the purchaser;

8 (iv) purchaser's identification document
9 number;

10 (v) name of the country that issued the
11 identification document;

12 (vi) the form of identification provided
13 by the purchaser; and

14 (vii) description of the motor vehicle
15 that includes the year, make, model, and vehicle
16 identification number of the motor vehicle.

17 (3) The listing required by paragraph (2)(E) of this
18 subsection must be maintained either on a form provided by the
19 department or in an electronic format approved by the
20 department.

21 (4) The salvage vehicle dealer or governmental
22 entity shall submit the listing prescribed by paragraph (2)(E)
23 of this subsection to the department within 30 days from the
24 date of sale.

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1 (5) Upon receipt of the listing prescribed by
2 paragraph (2)(E) of this subsection, the department will place
3 an appropriate notation on the motor vehicle record to
4 identify it as a motor vehicle sold for export-only that may
5 not be operated, retitled, or registered in this state.

1 SUBCHAPTER F. MOTOR VEHICLE RECORD INFORMATION

2 §217.123. Access to Motor Vehicle Records.

3 (a) Request for records. A person seeking motor vehicle
4 record information shall submit a written request on the form
5 required by the department. Information will be released in
6 accordance with Title 18 U.S.C. §2721 et seq., Transportation
7 Code, Chapter 730, and Government Code, §552.130. A completed
8 and properly executed form must include, at a minimum:

9 (1) the name and address of the requestor;

10 (2) the Texas license number, title or document
11 number, or vehicle identification number of the motor vehicle
12 about which information is requested;

13 (3) a photocopy of the requestor's identification;

14 (4) a statement that the requested information may
15 only be released if the requestor is the subject of the
16 record, if the requestor has written authorization for release
17 from the subject of the record, or if the intended use is for
18 a permitted use as indicated on the form;

19 (5) a certification that the statements made on the
20 form are true and correct; and

21 (6) the signature of the requestor.

22 (b) Identification required. A person may not apply for
23 receipt of personal information unless the person presents
24 current photo identification containing a unique

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1 identification number. The identification document must be a:

2 (1) driver's license or state identification

3 certificate issued by a state or territory of the United

4 States;

5 (2) United States or foreign passport;

6 (3) United States military identification card; [~~or~~]

7 (4) United States Department of Homeland Security,
8 United States Citizenship and Immigration Services, or United
9 States Department of State identification document; or[~~-~~]

10 (5) Concealed handgun license issued by the Texas
11 Department of Public Safety under Government Code, Chapter
12 411, Subchapter H.

13 (c) Electronic access. The department may make motor
14 vehicle record information available under the terms of a
15 written service agreement.

16 (1) Agreement with business or individuals. The
17 written service agreement with a business or individual must
18 contain:

19 (A) the specified purpose of the agreement;

20 (B) an adjustable account, if applicable, in
21 which an initial deposit and minimum balance is maintained in
22 the amount of:

23 (i) \$200 for an on-line access account; or

24 (ii) \$1,000 for a prepaid account for

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1 batch purchase of motor vehicle record information;

2 (C) termination and default provisions;

3 (D) service hours for access to motor vehicle
4 records for on-line access;

5 (E) the contractor's signature;

6 (F) a statement that the use of motor vehicle
7 record information obtained by virtue of a service agreement
8 is conditional upon its being used:

9 (i) in accordance with 18 U.S.C. §2721 et
10 seq. [~~Transportation Code, §502.008,~~] and Transportation
11 Code, Chapter 730; and

12 (ii) only for the purposes defined in the
13 agreement; and

14 (G) the statements required by subsection (a)
15 of this section.

16 (2) Agreements with governmental agencies.

17 (A) The written service agreement with an
18 agency must contain:

19 (i) the specified purpose of the
20 agreement;

21 (ii) method of payment;

22 (iii) notification regarding the charges;

23 (iv) a statement that the use of motor
24 vehicle record information obtained by virtue of a service

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1 agreement is conditional upon its being used in accordance
2 with 18 U.S.C. §2721 et seq. [~~Transportation Code, §502.008,~~
3 and Transportation Code, Chapter 730, and only for the
4 purposes defined in the agreement;

5 (v) the statements required by subsection
6 (a) of this section;

7 (vi) the signature of an authorized
8 official; and

9 (vii) an attached statement citing the
10 agency's authority to obtain social security number
11 information, if applicable.

12 (B) Texas Law Enforcement Telecommunication
13 System access is exempt from the payment of fees.

14 (d) Ineligibility to receive personal information. The
15 department may prohibit a person, business, or agency from
16 receiving personal information if the department finds a
17 violation of a term or condition of the agreement entered into
18 in accordance with subsection (c) of this section.



Board Policy Documents

Governance Process (10/13/11)

Strategic Planning (10/13/11)

Board Vision (10/13/11)

Agency Boundaries (9/13/12)

KPIs (9/12/14)

Texas Department of Motor Vehicles TxDMV Board Governance Policy

1. PURPOSE

The directives presented in this policy address board governance of the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. The TxDMV Board Governance Policy shall be one that is comprehensive and pioneering in its scope.

3. POLICY

3.1. TxDMV Board Governing Style

The Board shall govern according to the following general principles: (a) a vision for the agency, (b) diversity in points of view, (c) strategic leadership, providing day-to-day detail as necessary to achieve the agency vision, (d) clear distinction of Board and Executive Director roles, (e) collective decision making, (f) react proactively rather than reactively and with a strategic approach. Accordingly:

- 3.1.1. The Board shall provide strategic leadership to TxDMV. In order to do this, the Board shall:
 - 3.1.1.1. Be proactive and visionary in its thinking.
 - 3.1.1.2. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
 - 3.1.1.3. Work together as colleagues, encouraging mutual support and good humor.
 - 3.1.1.4. Have the courage to lead and make difficult decisions.
 - 3.1.1.5. Listen to the customers and stakeholders needs and objectives.
 - 3.1.1.6. Anticipate the future, keeping informed of issues and trends that may affect the mission and organizational health of the TxDMV.
 - 3.1.1.7. Make decisions based on an understanding that is developed by appropriate and complete stakeholder participation in the process of identifying the needs of the motoring public, motor vehicle industries,

and best practices in accordance with the mission and vision of the agency.

- 3.1.1.8. Commit to excellence in governance, including periodic monitoring, assessing and improving its own performance.
- 3.1.2. The Board shall create the linkage between the Board and the operations of the agency, via the Executive Director when policy or a directive is in order.
- 3.1.3. The Board shall cultivate a sense of group responsibility, accepting responsibility for excellence in governance. The Board shall be the initiator of policy, not merely respond to staff initiatives. The Board shall not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.
- 3.1.4. The Board shall govern the agency through the careful establishment of policies reflecting the board's values and perspectives, always focusing on the goals to be achieved and not the day-to-day administrative functions.
- 3.1.5. Continual Board development shall include orientation of new Board members in the board's governance process and periodic board discussion of how to improve its governance process.
- 3.1.6. The Board members shall fulfill group obligations, encouraging member involvement.
- 3.1.7. The Board shall evaluate its processes and performances periodically and make improvements as necessary to achieve premier governance standards.
- 3.1.8. Members shall respect confidentiality as is appropriate to issues of a sensitive nature.

3.2. TxDMV Board Primary Functions/Characteristics

TxDMV Board Governance can be seen as evolving over time. The system must be flexible and evolutionary. The functions and characteristics of the TxDMV governance system are:

- 3.2.1. Outreach
 - 3.2.1.1. Monitoring emerging trends, needs, expectations, and problems from the motoring public and the motor vehicle industries.
 - 3.2.1.2. Soliciting input from a broad base of stakeholders.

3.2.2. Stewardship

3.2.2.1. Challenging the framework and vision of the agency.

3.2.2.2. Maintaining a forward looking perspective.

3.2.2.3. Ensuring the evolution, capacity and robustness of the agency so it remains flexible and nimble.

3.2.3. Oversight of Operational Structure and Operations

3.2.3.1. Accountability functions.

3.2.3.2. Fiduciary responsibility.

3.2.3.3. Checks and balances on operations from a policy perspective.

3.2.3.4. Protecting the integrity of the agency.

3.2.4. Ambassadorial and Legitimizing

3.2.4.1. Promotion of the organization to the external stakeholders, including the Texas Legislature, based on the vision of the agency.

3.2.4.2. Ensuring the interests of a broad network of stakeholders are represented.

3.2.4.3. Board members lend their positional, professional and personal credibility to the organization through their position on the board.

3.2.5. Self-reflection and Assessment

3.2.5.1. Regular reviews of the functions and effectiveness of the Board itself.

3.2.5.2. Assessing the level of trust within the Board and the effectiveness of the group processes.

3.3. Board Governance Investment

Because poor governance costs more than learning to govern well, the Board shall invest in its governance capacity. Accordingly:

3.3.1. Board skills, methods, and supports shall be sufficient to ensure governing with excellence.

- 3.3.1.1. Training and retraining shall be used liberally to orient new members, as well as maintain and increase existing member skills and understanding.
 - 3.3.1.2. Outside monitoring assistance shall be arranged so that the board can exercise confident control over agency performance. This includes, but is not limited to, financial audits.
 - 3.3.1.3. Outreach mechanisms shall be used as needed to ensure the Board's ability to listen to stakeholder viewpoints and values.
 - 3.3.1.4. Other activities as needed to ensure the Board's ability to fulfill its ethical and legal obligations and to represent and link to the motoring public and the various motor vehicle industries.
- 3.3.2. The Board shall establish its cost of governance and it will be integrated into strategic planning and the agency's annual budgeting process.

3.4. Practice Discipline and Assess Performance

The Board shall ensure the integrity of the board's process by practicing discipline in Board behavior and continuously working to improve its performance. Accordingly:

- 3.4.1. The assigned result is that the Board operates consistently with its own rules and those legitimately imposed on it from outside the organization.
 - 3.4.1.1. Meeting discussion content shall consist solely of issues that clearly belong to the Board to decide or to monitor according to policy, rule and law. Meeting discussion shall be focused on performance targets, performance boundaries, action on items of Board authority such as conduct of administrative hearings, proposal, discussion and approval of administrative rule-making and discussion and approval of all strategic planning and fiscal matters of the agency.
 - 3.4.1.2. Board discussion during meetings shall be limited to topics posted on the agenda.
 - 3.4.1.3. Adequate time shall be given for deliberation which shall be respectful, brief, and to the point.
- 3.4.2. The Board shall strengthen its governing capacity by periodically assessing its own performance with respect to its governance model. Possible areas of assessment include, but are not limited to, the following:
 - 3.4.2.1. Are we clear and in agreement about mission and purpose?

- 3.4.2.2. Are values shared?
- 3.4.2.3. Do we have a strong orientation for our new members?
- 3.4.2.4. What goals have we set and how well are we accomplishing them?
- 3.4.2.5. What can we do as a board to improve our performance in these areas?
- 3.4.2.6. Are we providing clear and relevant direction to the Executive Director, stakeholders and partners of the TxDMV?
- 3.4.3. The Board Chair shall periodically promote regular evaluation and feedback to the whole Board on the level of its effectiveness.

Texas Department of Motor Vehicles Strategic Planning Policy

1. PURPOSE

The directives presented in this policy address the annual Strategic Planning process at the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. TxDMV Strategic Planning Policy attempts to develop, document and expand its policy that is comprehensive in its scope in regards to the strategic planning process of the Board and the Department beyond that of the state strategic planning process.

3. POLICY

3.1. TxDMV Board Strategic Planning

This policy describes the context for strategic planning at TxDMV and the way in which the strategic plan shall be developed and communicated.

- 3.1.1. The Board is responsible for the strategic direction of the organization, which includes the vision, mission, values, strategic goals, and strategic objectives.
- 3.1.2. TxDMV shall use a 5-year strategic planning cycle, which shall be reviewed and updated annually, or as needed.
- 3.1.3. The 5-year strategic plan shall be informed by but not confined by requirements and directions of state and other funding bodies.
- 3.1.4. In developing strategic directions, the Board shall seek input from stakeholders, the industries served, and the public.
- 3.1.5. The Board shall:
 - 3.1.5.1. Ensure that it reviews the identification of and communication with its stakeholders at least annually.
 - 3.1.5.2. Discuss with agency staff, representatives of the industries served, and the public before determining or substantially changing strategic directions.

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- 3.1.5.3. Ensure it receives continuous input about strategic directions and agency performance through periodic reporting processes.
 - 3.1.6. The Board is responsible for a 5-year strategic plan that shall identify the key priorities and objectives of the organization, including but not limited to:
 - 3.1.6.1. The creation of meaningful vision, mission, and values statements.
 - 3.1.6.2. The establishment of a Customer Value Proposition that clearly articulates essential customer expectations.
 - 3.1.6.3. A Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis, to be updated annually.
 - 3.1.6.4. An assessment of external factors or trends (i.e., customer needs, political factors, economic factors, industry trends, technology factors, uncertainties, etc.)
 - 3.1.6.5. Development of the specific goals and objectives the Department must achieve and a timeline for action.
 - 3.1.6.6. Identification of the key performance indicators to measure success and the initiatives that shall drive results.
 - 3.1.6.7. Engage staff at all levels of the organization, through the executive director, in the development of the strategic plan through surveys, interviews, focus groups, and regular communication.
 - 3.1.6.8. Ensure the strategic planning process produces the data necessary for LBB/GOBPP state required compliance while expanding and enhancing the strategic plan to support the needs of the TxDMV. The overall strategic plan shall be used as a tool for strategic management.
 - 3.1.7. The Board delegates to the Executive Director the responsibility for **implementing** the agency's strategic direction through the development of agency wide and divisional operational plans.
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Texas Department of Motor Vehicles TxDMV Goals and Objectives

1. PURPOSE

The information presented in this policy addresses the goals and key objectives of the Board of the Texas Department of Motor Vehicles (TxDMV) as they relate to the mission, vision, and values of the TxDMV.

2. SCOPE

The scope of this policy is to define the desired state the TxDMV Board is working to achieve. This policy is designed to be inspirational in outlining the desired state of the agency that supports the TxDMV Board vision and meeting agency goals.

3. TxDMV MISSION

To promote and protect the interests of the motoring public and all citizens in the state of Texas.

4. TxDMV VISION

The TxDMV shall be the most efficient, effective, transparent, and customer driven agency in Texas providing excellent services to all.

5. TxDMV VALUES

To earn the trust and faith of all citizens of Texas by being transparent and accountable, cost effective, customer centric, trustworthy, performance driven, and progressive.

- 5.1. Transparent – a value that allows those at TxDMV who are affected by administrative decisions and business transactions, including but not limited to employees, customers, stakeholders, and legislative members, to know not only the basic facts and figures but also the mechanisms and processes. It is the duty of civil servants, managers and trustees to act visibly, predictably and understandably.
- 5.2. Efficient – a value that requires TxDMV to maximize the productivity of the personnel and capital resources of the agency. We do not add people, processes, programs or capital resources unless there is a proven need for them. We reduce people and restructure processes, programs or capital resources whenever and wherever our customers and stakeholders no longer have a demonstrated need that requires the support.
- 5.3. Teamwork – a value that flows from TxDMV operating as one voice or unit. TxDMV is not now and never shall be again an agency made up of divisional silos. The TxDMV

shall take a unified approach to performance, on that ties together the agency and individual aspect.

- 5.4. Communication – a value that ensures that all internal and external stakeholders of the TxDMV have clear, concise and accurate information on all aspects of agency operations and planning. Communication builds trust and teamwork.
- 5.5. Accountable – a value that states all TxDMV employees are responsible or answerable to someone for something, specifically to managers, the TxDMV Board, the Texas Legislature, stakeholders, and customers. It involves taking responsibility for our own actions and being able to explain them. Accountability comes in many forms and shall be used in all aspects of our daily business.
- 5.6. Cost Effective – a value at TxDMV whereby decisions and business transactions, as well as decision alternatives, are based on the one whose cost is lower than its benefit.
- 5.7. Customer Centric – a value at TxDMV whereby we put the customer at the center of everything that we do, or do everything with the customer in mind.
- 5.8. Trustworthy – a value at TxDMV whereby everyone is clear, honest, and follows through to the best of their ability in the timeliest manner possible in order to produce results that benefit the public.
- 5.9. Performance Driven – a value at TxDMV whereby the agency stresses the importance of the performance of all employees and of the operating policies and systems. This approach shall consist of aligning the objectives, resources, and budgets of the different divisions and the goals, opportunities, and performance metrics of employees and measuring, analyzing, and reporting on employee and agency performance. This value shall lead the agency toward dramatic improvements in performance in financial terms, with respect to employee productivity and morale and the flexibility to adapt quickly to change.
- 5.10. Progressive – a value at TxDMV whereby the agency and all employees advocate for progress, change, improvement, or reform toward the vision of the agency.

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

The TxDMV shall be a performance driven agency in its operations whether it is in customer service, licensing, permitting, enforcement or rule-making. At all times the TxDMV shall mirror in its performance the expectations of its customers and stakeholder by effective, efficient, customer-focused, on-time, fair, predictable and thorough service or decisions.

6.1.1. Key Objective 1

The TxDMV shall be an agency that is retail-oriented in its approach. To accomplish this orientation TxDMV shall concentrate the focus of the agency on:

- 6.1.1.1. Delivering its products and services to all of its customers and stakeholders in a manner that recognizes that their needs come first. These needs must be positively and proactively met. TxDMV works for and with its customers and stakeholders, not the other way around.
- 6.1.1.2. Operating the agency's licensing and registration functions in a manner akin to how a private, for-profit business. As a private, for-profit business, TxDMV would have to listen to its customers and stakeholders and implement best practices to meet their needs or its services would no longer be profitable or necessary. Act and react in a manner that understands how to perform without a government safety net and going out of business.
- 6.1.1.3. Simplify the production and distribution processes and ease of doing business with the TxDMV. Adapting and maintaining a business value of continuous improvement is central to TxDMV operations and processes.
- 6.1.1.4. All operations of the TxDMV shall stand on their own merits operationally and financially. If a current process does not make sense then TxDMV shall work within legislative and legal constraints to redesign or discard it. If a current process does not make or save money for the state and/or its customers or stakeholders then TxDMV shall work within legislative and legal constraints to redesign or discard it. TxDMV shall operate as efficiently and effective as possible in terms of financial and personnel needs. Divisions should focus on cost savings without sacrificing performance. Division directors are accountable for meeting these needs and applicable measures. All division directors are collectively responsible for the performance of TxDMV as a whole.
- 6.1.1.5. Focus on revenue generation for transportation needs as well as the needs of its customers.
- 6.1.1.6. Decisions regarding the TxDMV divisions should be based on the overriding business need of each division to meet or provide a specific service demand, with the understanding and coordination of overarching agency-wide needs.

- 6.1.1.7. Developing and regularly updating a long-range Statewide Plan describing total system needs, establishing overarching statewide goals, and ensuring progress toward those goals.
- 6.1.1.8. The TxDMV shall establish a transparent, well-defined, and understandable system of project management within the TxDMV that integrates project milestones, forecasts, and priorities.
- 6.1.1.9. The TxDMV shall develop detailed work programs driven by milestones for major projects and other statewide goals for all TxDMV divisions.
- 6.1.1.10. The TxDMV, with input from stakeholders and policymakers, shall measure and report on progress in meeting goals and milestones for major projects and other statewide goals.

6.2. GOAL 2 – Innovation and Economic Development

The TxDMV shall be an innovative, forward thinking agency that looks for ways to promote the economic well-being and development of the industries it serves as well as the State of Texas within the legislative boundaries that have been established for the agency.

6.2.1. Key Objective 1

The TxDMV shall achieve operational, cultural, structural and financial independence from other state agencies.

- 6.2.1.1. Build the TxDMV identity. This means that TxDMV shall make customers aware of what services we offer and how they can take advantage of those services.
- 6.2.1.2. Build the TxDMV brand. This means that TxDMV shall reach out to the stakeholders, industries we serve and the public, being proactive in addressing and anticipating their needs.
- 6.2.1.3. Determine immediate, future, and long term facility and capital needs. TxDMV needs its own stand-alone facility and IT system as soon as possible. In connection with these needs, TxDMV shall identify efficient and effective ways to pay for them without unduly burdening either the state, its customers or stakeholders.
- 6.2.1.4. All regulations, enforcement actions and decision at TxDMV shall be made in a timely, fair and predictable manner.

6.2.2. Key Objective 2

Provide continuous education training on business trends in the industry with a particular emphasis on activities in Texas.

6.2.3. Key Objective 3

Provide continuous outreach services to all customers and stakeholders to access their respective needs and wants. This includes helping frame legislative or regulatory issues for consideration by other bodies including the legislature.

6.2.4. Key Objective 4

Exam all fees to determine their individual worth and reasonableness of amount. No fee shall be charged that cannot be defended financially and operationally.

6.3. GOAL 3 – Customer-centric

The TxDMV shall be a customer-centric agency that delivers today's services and decisions in a positive, solution-seeking manner while ensuring continuous, consistent and meaningful public and stakeholder involvement in shaping the TxDMV of tomorrow.

6.3.1. Key Objective 1

The TxDMV shall seek to serve its customer base through a creative and retail oriented approach to support the needs of its industries and customers.

6.3.2. Key Objective 2

The TxDMV shall develop and implement a public involvement policy that guides and encourages meaningful public involvement efforts agency-wide.

6.3.3. Key Objective 3

The TxDMV shall develop standard procedures for documenting, tracking, and analyzing customer complaint data. Successful problem resolution metrics should be monitored to support continuous improvement activities that shall permanently improve customer facing processes.

6.3.4. Key Objective 4

The TxDMV shall provide a formal process for staff with similar responsibilities to share best practices information.

6.3.5. Key Objective 5

The TxDMV shall provide central coordination of the Department's outreach campaigns.

6.3.6. Key Objective 6

The TxDMV shall develop and expand user friendly, convenient, and efficient website applications.

6.3.7. Key Objective 7

TxDMV shall timely meet all legislative requests and mandates.

Agency Operational Boundaries as Defined by Department Policies of the TxDMV Board (Board)

The Board is responsible for the policy direction of the agency. The Board's official connection to the day-to-day operation of the Texas Department of Motor Vehicles (TxDMV) and the conduct of its business is through the Executive Director of the TxDMV (ED) who is appointed by the Board and serves at its pleasure. The authority and accountability for the day-to-day operations of the agency and all members of the staff, except those members who report directly to the Board, is the sole responsibility of the ED.

In accordance with its policy-making authority the Board has established the following policy boundaries for the agency. The intent of the boundaries is not to limit the ability of the ED and agency staff to manage the day-to-day operations of the agency. To the contrary, the intent of the boundaries is to more clearly define the roles and responsibilities of the Board and the ED so as to liberate the staff from any uncertainty as to limitations on their authority to act in the best interest of the agency. The ED and staff should have certainty that they can operate on a daily basis as they see fit without having to worry about prior Board consultation or subsequent Board reversal of their acts.

The ED and all agency employees shall act at all times in an exemplary manner consistent with the responsibilities and expectations vested in their positions. The ED and all agency employees shall act in a manner consistent with Board policies as well as with those practices, activities, decisions, and organizational circumstances that are legal, prudent, and ethical. It is the responsibility of the ED to ensure that all agency employees adhere to these boundaries.

Accordingly, the TxDMV boundaries are as follows:

1. The day-to-day operations of the agency should be conducted in a manner consistent with the vision, mission, values, strategic framework, and performance metrics as established by the Board. These elements must not be disregarded or jeopardized in any way.
2. A team-oriented approach must be followed on all enterprise-wide decisions to ensure openness and transparency both internally and externally.
3. The agency must guard against allowing any financial conditions and decision which risk adverse fiscal consequences, compromise Board financial priorities, or fail to

show an acceptable level of foresight as related to the needs and benefits of agency initiatives.

4. The agency must provide timely, accurate, and honest information that will afford the Board, public, stakeholders, executive branch and the legislature the best ability to evaluate all sides of an issue or opportunity before forming an opinion or taking action on it. Any information provided that is intentionally untimely, inaccurate, misleading or one-sided will not be tolerated.
5. The agency must take all reasonable care to avoid or identify in a timely manner all conflicts of interest or even the appearance of impropriety in awarding purchases, negotiating contracts or in hiring employees.
6. The agency must maintain adequate administrative policies and procedures that are understandable and aid in staff recruitment, development and retention.
7. The agency must maintain an organizational structure that develops and promotes the program areas from an enterprise-wide perspective. No organizational silos or sub-agencies will be allowed. We are the TxDMV.
8. The agency must empower its entire staff to deliver a positive customer experience to every TxDMV customer, stakeholder or vendor to reduce their effort and make it easier for them to do business with the TxDMV.
9. The agency must at all times look to flattening its organizational structure to reduce cost as technology advances allow.
10. Agency staff shall anticipate and resolve all issues timely.
11. The agency must maximize the deployment and utilization of all of its assets – people, processes and capital equipment – in order to fully succeed.
12. The agency must not waste the goodwill and respect of our customers, stakeholders, executive branch and legislature. All communication shall be proper, honest, and transparent with timely follow-up when appropriate.
13. The agency should focus its work efforts to create value, make sure that processes, programs, or projects are properly designed, budgeted and vetted as appropriate with outside stakeholders to ensure our assumptions are correct so positive value continues to be created by the actions of the TxDMV.
14. The ED through his or her staff is responsible for the ongoing monitoring of all program and fiscal authorities and providing information to the Board to keep it apprised of all program progress and fiscal activities. This self-assessment must result in a product that adequately describes the accomplishment of all program

goals, objectives and outcomes as well as proposals to correct any identified problems.

15. In advance of all policy decisions that the Board is expected to make, the ED will provide pertinent information and ensure board members understand issues/matters related to the pending policy decision. Additionally, the ED or designee will develop a process for planning activities to be performed leading up to that particular policy decision and the timeframe for conducting these planning activities. It is imperative that the planning process describes not only when Board consideration will be expected but also when prior Board consultation and involvement in each planning activity will occur.
16. In seeking clarification on informational items Board members may directly approach the ED or his or her designee to obtain information to supplement, upgrade or enhance their knowledge and improve the Board's decision-making. Any Board member requests that require substantive work should come to the Board or Committee Chairs for direction.
17. The agency must seek stakeholder input as appropriate on matters that might affect them prior to public presentation of same to the Board.
18. The agency must measure results, track progress, and report out timely and consistently.
19. The ED and staff shall have the courage to admit a mistake or failure.
20. The ED and staff shall celebrate successes!

The Board expects the ED to work with agency staff to develop their written interpretation of each of the boundaries. The ED will then present this written interpretation to the Board prior to discussion between the Board and ED on the interpretation. The Board reserves the right to accept, reject or modify any interpretation. The intent is that the Board and the ED will come to a mutually agreeable interpretation of agency boundaries that will then form the basis of additional written thought on the part of the ED and staff as to how these boundaries will influence the actions of the agency.

GOAL	STRATEGY	#	MEASURE	Baseline	Target	Actual	OWNER
Performance Driven	Effective and efficient services	1	Average processing time for new franchise license applications	45 days	35 days		MVD
		2	Average processing time for franchise renewals	11 days	5 days		MVD
		3	Average processing time of franchise license amendments	20 days	8 days		MVD
		4	Average processing time for new Dealer's General Distinguishing Number (GDN) license applications	35 days	17 days		MVD
		5	Average processing time for GDN renewals	14 days	7 days		MVD
		6	Average processing time for GDN license amendments	19 days	7 days		MVD
		7	Average turnaround time for single-trip routed permits	33.88 mins	32 mins		MCD
		8	Average turnaround time for intrastate authority application processing	1.47 days	1.4 days		MCD
		9	Average turnaround time for apportioned registration renewal applications processing	2 days	2 days		MCD
		10	Average turnaround time to issue salvage or non-repairable vehicle titles	5 days	4 days		VTR
		11	Average time to complete motor vehicle complaints with no contested case proceeding	131 days	120 days		ENF
		12	Average time to complete motor vehicle complaints with contested case proceeding	434 days	400 days		ENF
		13	Average time to complete salvage complaints with no contested case proceeding	131 days	120 days		ENF
		14	Average time to complete salvage complaints with contested case proceeding	434 days	400 days		ENF
		15	Average time to complete motor carrier complaints with no contested case proceeding	297 days	145 days		ENF
		16	Average time to complete motor carrier complaints with contested case proceeding	133 days	120 days		ENF
		17	Average time to complete household goods complaints with no contested case proceeding	432 days	145 days		ENF
		18	Average time to complete household goods complaints with contested case proceeding	371 days	180 days		ENF
		19	Average time to complete Oversize/Overweight (OS/OW) complaints with no contested case proceeding	40 days	35 days		ENF
		20	Average time to complete OS/OW complaints with contested case proceeding	265 days	250 days		ENF
		21	Percent of lemon law cases resolved prior to referral for hearing	76%	60%		ENF
		22	Average time to complete lemon law cases where no hearing is held	147 days	65 days		ENF
		23	Average time to complete lemon law cases where hearing is held	222 days	150 days		ENF
		24	Percent of total renewals and net cost of registration renewal: A. Online B. Mail C. In Person	A. 15% B. 5% C. 80%	A. 16% B. 5% C. 79%		VTR
		25	Total dealer title applications: A. Through Webdealer B. Tax Office	Baseline in development	A. 5% B. 95%		VTR

GOAL	STRATEGY	#	MEASURE	Baseline	Target	Actual	OWNER	
Optimized Services and Innovation		26	Percent of total lien titles issued: A. Electronic Lien Title B. Standard Lien Title	A. 16% B. 84%	A. 20% B. 80%		VTR	
		27	Percent of total OS/OW permits: A. Online (self-issued) B. Online (MCD-issued) C. Phone D. Mail E. Fax	A. 57.47% B. 23.03% C. 11.33% D. 1.76% E. 6.4%	A. 58% or greater B. 25% or greater C. 10% or less D. 1.7% or less E. 5.3% or less		MCD	
		28	Average time to complete lemon law and warranty performance cases after referral	Baseline in development	25 days		OAH	
		29	Average time to issue a decision after closing the record of hearing	Baseline in development	30 days		OAH	
		Implement appropriate best practices	30	Percent of audit recommendations implemented	Baseline in development	90% annual goal for these recommendations which Internal Audit included in a follow-up audit		IAD
		Continuous business process improvement and realignment	31	Percent of projects approved by the agency's governance team that finish within originally estimated time (annual)	57%	100%		EPMO
			32	Percent of projects approved by the agency's governance team that finish within originally estimated budget (annual)	71%	100%		EPMO/ FAS
			33	Percent of monitoring reports submitted to Texas Quality Assurance Team (TXQAT) by or before the due date	79%	100%		EPMO
			34	Percent of project manager compliance with EPMO project management standards based upon internal quality assurance reviews	Baseline in development	100%		EPMO
		Executive ownership and accountability for results	35	Percent of employees due a performance evaluation during the month that were completed on time by division.	Baseline in development	100%		HR
		36	Percent of goals accomplished as stated in the directors performance evaluation	Baseline in development	Measure annually at the end of the fiscal year		EXEC	
	Organizational culture of continuous improvement and creativity	37	Employees who rate job satisfaction as above average as scored by the Survey of Employee Engagement (SEE)	3.47 (SEE 2012)	3.65	3.60 (SEE 2013)	HR	
		38	Increase in the overall SEE score	337 (SEE 2012)	360	351 (SEE 2013)	HR	
Focus on the internal customer	Focus on the internal customer	39	Percent of favorable responses from customer satisfaction surveys	Baseline in development	90%		EPMO	
		40	Annual agency voluntary turnover rate	6.5% (FY 2013)	5.0%		HR	
	Increase transparency with external customers	41	Number of education programs conducted and number of stakeholders/customers attending education programs	4.48/80.61	4/80		MCD	
		42	Number of education programs conducted and number of stakeholders/customers attending education programs	36/335	42/390		VTR	
		43	Number of eLearning training modules available online through the Learning Management System and number of modules completed by stakeholders/customers	eLearning Modules Available - 28 Completed - 735	Available - 31 Completed - 814		VTR	

GOAL	STRATEGY	#	MEASURE	Baseline	Target	Actual	OWNER
Customer Center		44	Number of Shows and Exhibits attended to educate stakeholders/customers about TxDMV services and programs	6	7		MVD
		45	Number of education programs conducted and number of stakeholders/customers attending education programs	3/250	3/250		ENF
		46	Number of education programs conducted and number of stakeholders/customers attending education programs	3/150	4/300		ABTPA
		47	Percent of customers and stakeholders who express above average satisfaction with communications to and from TxDMV	Baseline in development	80%		All Divisions
	Excellent Service Delivery	48	Average hold time	9 min	9 min		CRD
		49	Abandoned call rate	22%	20%		CRD
		50	Average hold time	Baseline in development	1 min		ITS
		51	Abandoned call rate	Baseline in development	5%		ITS
		52	Average hold time	Credentialing - 1.6 minutes Permits - 2.08 minutes CFS - 54.38 seconds	Credentialing - 1.5 minutes Permits - 2 minutes CFS - 50 seconds		MCD
		53	Abandoned call rate	Credentialing - 7% Permits - 6.42% CFS - 5.63%	Credentialing - 6% Permits - 5% CFS - 5%		MCD
Key:		Critical	Off Target	On target	Not yet started		
Vision: The Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation.							
Mission: To serve, protect, and advance the citizens and industries in the state with quality motor vehicle related services.							
Philosophy: The Texas Department of Motor Vehicles is customer-focused and performance driven. We are dedicated to providing services in an efficient, effective and progressive manner as good stewards of state resources. With feedback from our customers, stakeholders and employees, we work to continuously improve our operations, increase customer satisfaction and provide a consumer friendly atmosphere.							
Values: We at the Texas Department of Motor Vehicles are committed to: TEXAS-Transparency, Efficiency, EXcellence, Accountability, and Stakeholders.							