

Beckley, Krystal

From: Haskell Maroney <hmaroney@co.lamar.tx.us>
Sent: Friday, December 20, 2019 3:18 PM
To: Zz - Resource - GCO_Rules
Subject: Chapter 217 Transportation Code

It is proposed that a motorcycle is only a frame and motor. That is incorrect. A motorcycle has a motor, transmission, and frame with identifying numbers stamped.

Haskell Maroney CTOP
Lamar County TAC
231 Lamar Ave
Paris, Tx 75460
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From: Bryan P. Sudan
To: Zz - Resource - GCO Rules
Subject: TxDMV Rules for Assembled Vehicles
Date: Monday, December 30, 2019 1:03:14 PM

In review of the proposed changes to the TxDMV rules for assembled vehicles, I would like to make the additional requirement;

If the assembled vehicle has a major component part meaning engine or transmission other than the one assigned to the manufacturer original VIN then engine number and/or transmission number shall be recorded on the vehicle inspection. Based on the fact that the engine number and/or transmission number is not traceable to the assembled vehicle. If no engine number exists on the engine then the department shall be responsible for assigning a number to the engine.

Should you have any questions please contact me at the information listed below.

Bryan P. Sudan
Commander
Tarrant Regional Auto Crimes Task Force
2400 Circle Dr. #100
Fort Worth, TX 76119
Office – 817.560.6560 ext. 9411
Fax – 817.560.6566
bpsudan@tarrantcounty.com

From: Michelle French
To: Zz - Resource - GCO_Rules
Subject: FW: Rule 217.404 Response from Tax Assessor Collectors Association of Texas
Date: Thursday, January 16, 2020 3:54:33 PM
Attachments: TAC DMV Rule 217.404 response.pdf
TAC DMV Rule 217.404 response.pdf
Rule 217.404 TACA Response.pdf
Importance: High

Good Afternoon Ms. Beaver,

Please find attached a copy of the rules response which is due by January 21st.

Thank you,

Michelle French
Denton County Tax Assessor/Collector

<https://tax.dentoncounty.com>

Phone 940-349-3500

Metro 972-434-8835

Fax: 940-349-3501

If your organization is not changing as fast on the inside as the world is changing on the outside; you will eventually cease to exist ~ Jack Welch, General Electric

You are never too old to set another goal or to dream a new dream ~C.S. Lewis

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THE TAX ASSESSOR-COLLECTORS ASSOCIATION OF TEXAS

An Association to secure the benefits of organized ideas and discussion of mutual problems that will advance and maintain proper efficiency and dignity of the County Tax Office.

www.tacaoftexas.org

"2020 VISION: PREPARING FOR THE FUTURE"

January 16, 2020

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Texas Department of Motor Vehicles
Tracey Beaver, General Counsel

Dear Ms. Beaver,

The Tax Assessor Collector Association of Texas, representing all 254 county tax assessor collectors, seeks to provide input on Texas Admin Code draft rule 217.404.

TACA appreciates the opportunity to provide feedback and proposed revisions to the language in the above stated draft rule.

In 217.404 (a) we propose that the county tax assessor collector office be removed from the requirement of receiving and submitting the application for title to the department. Rather the applicant should submit their title application directly to the department.

In 217.404 (D)(d) we propose the letter from the department list the supporting documents and information required to be submitted as approved by the department.

A copy of the revised language in rule format has been included in this response.

Thank you,

Michelle French
TACA TxDMV Liaison

§217.404. Initial Application for Title.

(a) Prior to applying for title, an applicant must submit to the department a complete application for title. The application may be submitted in person, by mail, or electronically, to the department. ~~or a county tax assessor-collector for forwarding to the department.~~ The application must include photocopies of:

(1) photographs of the front, rear, and side of the assembled vehicle, and if a replica, a photograph of what the vehicle is a replica of;

(2) evidence of ownership of the basic component parts of the assembled vehicle as described in §217.405 of this subchapter (relating to Evidence of Ownership), as applicable to the type of assembled vehicle;

(3) if applicable, proof, on a form prescribed by the department, of a safety inspection required under §217.143 of this chapter (relating to Assembled Vehicle Inspection Requirements), and Transportation Code §731.101;

(4) if applicable, a copy of the Automobile and Light Truck certification, or a successor certification, for the master technician who completed the inspection described in paragraph (3) of this subsection;

(5) a copy of the inspection that may be required under Transportation Code Chapter 548 if the assembled vehicle is to be registered for operation on the roadway;

(6) a Rebuilt Vehicle Statement;

(7) a weight certificate;

(8) identification as required in §217.5(d) of this chapter (relating to Evidence of Motor Vehicle Ownership); and

(9) any of the following means to establish the vehicle identification number:

1 (A) an Application for Assigned or Reassigned Number, and Notice of Assigned
2 Number or Installation of Reassigned Vehicle Identification Number, on forms prescribed by the
3 department;

4 (B) an Application for Assigned or Reassigned Number, establishing the vehicle
5 identification number assigned by the manufacturer of the component part by which the assembled
6 vehicle will be identified;

7 (C) acceptable proof, as established by the department, of a vehicle identification
8 number assigned by the maker of the kit used to construct the assembled vehicle; or

9 (D) acceptable proof, as established by the department, of a vehicle identification
10 number assigned by the manufacturer of the replica, custom vehicle, street rod, or glider kit.

11 (b) Following receipt of all information required under subsection (a) of this section, the
12 department will review the application for completeness and to determine that the vehicle meets
13 assembled vehicle qualifications.

14 (c) If the department determines that the application is complete and the vehicle meets
15 assembled vehicle qualifications, the department will issue a letter to the applicant on department
16 letterhead, stating that the application is complete and that the vehicle qualifies as an assembled vehicle.

17 (d) Following receipt of the department's letter described in subsection (c) of this section, the
18 applicant may then submit the letter and the completed application to the county tax assessor-collector
19 for processing. The application must include:

20 (1) the department issued letter listing the supporting documents and information
 required to be submitted as approved by the department;

21 (2) copies of all items required to be submitted to the department in subsection (a)(1) -
22 (9) of this section; and

From: Ron Hinkle
To: Zz - Resource - GCO_Rules
Subject: Emailing: Response to TxDMV proposed rules
Date: Sunday, January 19, 2020 1:31:49 PM
Attachments: Response to TxDMV proposed rules.docx High
Importance:

Please see attached response for TAC 43, Part 10, Chapter 217 proposed rules.

Assembled Vehicle Coalition of Texas

January 19, 2020

Office of General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

RE: Proposed Rules for Title 43 TAC concerning assembled vehicles

Dear Ms. Beavers:

On behalf of the Assembled Vehicle Coalition of Texas (Coalition), we want to thank the Board and committed employees of the Texas Department of Motor Vehicles for working diligently with members of the Coalition in providing practical and logical input during the working group meetings and the legislative process regarding assemble vehicles in HB 1755.

The Coalition appreciates the opportunity to provide comments to the proposed rules and is focused on two areas of the proposed rules and requests clarification from the Board:

1. Inspection Requirements:

The proposed amendments to §§217.141-217.143 seek to implement the assembled vehicle inspection requirements under Transportation Code §731.101 and §731.102 as enacted by HB 1755. In addition, the department has proposed amending the existing sections related to the Transportation Code §504.501(e) as it relates to street rod and custom vehicle registration inspection and that is a result of the same inspections that will apply to titling assembled vehicles under Transportation Code §731.101.

In addition, the proposed amendment to §217.142(b)(3) defines the new term “equipment” to describe the items and systems that the inspector will need to inspect. The inspection will be of those items and systems required by law to be present on the vehicle as inspected, which may not include all listed items and systems depending on the type of vehicle. The definition also distinguishes “equipment” from “basic component part” and “major component part”.

The Coalition believes an assembled vehicle is subject to specific vehicle equipment delineated under Subchapter C, Section 731.102, Transportation Code, for issuance of title, registration for inspection by a Master Technician. Section 548.009, Transportation Code, specifies that a provision of this chapter (Chapter 548) does not apply to an assembled vehicle if the provision (1) conflicts with Chapter 731 or a rule adopted under that chapter; or (2) is a provision that an assembled vehicle, by its nature, cannot comply with or otherwise meet. However, the proposed rule 217.142

(b) (3) adds as follows; “motor fuel supply system and all integral items of the system; exhaust system and all integral items of the system”. The Coalition wishes to have the terms “and all integral items” in the proposed rules as it refers to motor fuel supply system and exhaust system defined more specifically and not result in a constraint to the success of an assembled vehicle the ability to operate on Texas roads and highways as per the overall intent of HB 1755.

In summary, the Coalition request clarification as to what vehicle items are required under Subchapter C, Section 731.101 and 731.102, Transportation Code and the proposed rules as stated referring to integral items in the list in 217.142 (b) (3).

2. Inspection Period:

Transportation Code §504.0011 authorizes the board to adopt rules to implement procedures and requirements for the inspection of assembled vehicles and delineated in Sections 731.051, 731.052, and 731.101, Transportation Code.

While the Coalition understands and supports that the Board will establish rules concerning inspections of vehicle the Coalition sees that the fee amount and schedule of those inspections are not laid out in statute. The Coalition is pleased to offer the following suggestions as the Board contemplates establishing said rules:

- A. A one-time initial inspection of an assembled vehicle by the Master Technician for title and registration. The owner of the assembled vehicle would not be required to have another inspection by a Master Technician during the entire ownership period of the vehicle. Should ownership of the assembled vehicle change then the Coalition suggests the new owner must have an inspection by a Master Technician within a reasonable period of time once new ownership is made.

The Coalition again thanks the Board and its dedicated employees in the assistance of this important rulemaking.

Best regards,

Faron Smith

Faron Smith

From: Ron Hinkle
To: Zz - Resource - GCO_Rules
Subject: request for public hearing
Date: Sunday, January 19, 2020 1:30:29 PM
Attachments: Proposed rules hearing request.docx
Importance: High

Please see attached request for a public hearing on TAC 43, Part 10,m Section 217

Stay blessed!

Ron Hinkle
Legislative Consultant
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(512)567-5250

Assembled Vehicle Coalition of Texas

January 19, 2020

Office of General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

RE: Proposed Rules for Title 43 TAC concerning assembled vehicles

Dear Ms. Beaver:

The Assembled Vehicle Coalition of Texas (Coalition), per instructions specified in Title 43, Part 10. Chapter 217 proposed rules, requests a public hearing on the proposed rules.

Thank you for your cooperation.

Best regards,

Faron Smith

Faron Smith

From: Karen Phillips
To: Zz - Resource - GCO_Rules; Beaver, Tracey
Cc: Karen Phillips
Subject: TADA Comments to Title 43 Chapter 217
Date: Monday, January 20, 2020 5:41:33 PM
Attachments: image001.jpg
Scanned from a Xerox Multifunction Printer.pdf

Dear Ms. Beaver,

Please find the attached TADA comments regarding the assembled vehicle proposed rules and rule amendments as published in the December 20, 2019 Texas Register.

If you are not able to open the attachment, please let me know at your earliest convenience.

On behalf of TADA, I appreciate the department's consideration of the attached.

Sincerely,
Karen Phillips

Karen Signature



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www.tada.org

January 20, 2020

Ms. Tracey Beaver
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, TX 78731

Sent via email: rules@txdmv.gov

Re: Proposed Rule Amendments: 43 TAC §§ 217.3, 217-141-217.143
Proposed New Rules: 43 TAC §§ 217.401-217.407

Dear Ms. Beaver:

On behalf of the Texas Automobile Dealers Association (TADA), please accept the following comments regarding the proposed rules and rule amendments to Chapter 217. Vehicle Titles and Registration, implementing HB 1755, 86th Legislature, Regular Session (2019), as published in the Texas Register, 44 *TexReg* 7866 - 7877 (December 20, 2019).

Introduction

The purpose for the titling of motor vehicles is to lessen and prevent: (1.) the theft of motor vehicles; (2.) the importation of stolen vehicles; and, (3.) the sale of an encumbered motor vehicle without the lien disclosure.¹

The state's motor vehicle registration process assures financial responsibility,² safety and applicable emission inspection,³ and gives the department the ability to refuse to register a vehicle

¹TEX. TRANSP. CODE ANN. § 501.003 (Vernon 2013).

²*Id.* § 502.046.

³*Id.* § 502.047.

that is unsafe, improperly equipped, or otherwise unfit to be operated on a public highway.⁴

The vehicle title and registration responsibility placed upon the Texas Department of Motor Vehicles (“TxDMV” or “department”) protects not only the driver and the vehicle passenger but it also assures that other drivers are not put in jeopardy by an unsafe, unfit, or improperly equipped vehicle that is using the public roads and highways. This undertaking carries a great deal of responsibility and is one taken seriously by the department, and is an important component regarding the titling and registering of an “assembled vehicle.”⁵

The assembled vehicle statute added by House Bill 1755, 86th Legislature, Regular Session (2019) and codified in Chapter 731, Transportation Code, places accountability for titling and registering the seven enumerated types of assembled vehicles with the TxDMV on behalf of the state and the citizens of Texas.

TADA appreciates the department’s complex responsibility implementing the assembled vehicle title and registration requirements and offers the following suggestions regarding the proposal to assist the State and public.

Assembled Vehicle Inspection and Form

The State has specific requirements for a vehicle to be titled and registered in Texas and when the requirements are followed, they protect the vehicle purchaser, lienholder, and citizenry as well as provide revenue to the State through fees and taxes.

In order to ensure the safety and fitness of an assembled vehicle, specific inspection requirements must be met and performed by a master technician.⁶ TADA requests that the master technician’s verification be encompassed on the department-prescribed form, specifically regarding the non-use of a frame or body from a “nonrepairable” vehicle, the non-use of electrical or mechanical components from a flood-damaged vehicle, as well as compliance with the applicable federal safety standards for parts used on the assembled vehicle, if the information is not incorporated on the form.

A vehicle is **not** eligible for a Texas title that is:

1. (a) Assembled, built, constructed, rebuilt, or reconstructed in any manner with a

⁴*Id.* § 502.048.

⁵TEX. TRANSP. CODE ANN. §731.001(4): “‘Assembled vehicle’ means: (A) an assembled motor vehicle; (B) an assembled motorcycle; (C) an assembled trailer; (D) a custom vehicle; (E) a street rod; (F) a replica; or (G) a glider kit.” (Vernon Supp. 2019).

⁶*Id.* § 731.101; 43 TAC § 217.143.

body or frame from a vehicle which is a “nonrepairable motor vehicle;”⁷

(b) a vehicle with a motor or engine from a flood damaged or water damaged vehicle or a vehicle from which the motor or engine was obtained due to a loss from a water-related event;⁸

2. A vehicle that is missing or is stripped of its motor, frame, or body to the extent that it loses its original identity or makes the vehicle unsafe for on-road operation;⁹
3. A vehicle designed by the manufacturer for on-track racing only;¹⁰ or,
4. A vehicle designed or determined by the department to be for off-highway use only, unless specifically defined as a “motor vehicle” in Transportation Code, Chapter 501.¹¹

With respect to an assembled vehicle, prior to the department issuing a title, the assembled vehicle must meet the inspection requirements proposed in § 217.143. The inspection must be performed by a master technician with the findings shown on a department-prescribed form.¹²

The master technician evaluates the structural integrity and proper function of the equipment.¹³ A certification made by the “inspector”¹⁴ includes the structural stability of the vehicle and equipment; that the vehicle and equipment can be operated safely; that the equipment used in constructing the vehicle meets FMVSS,¹⁵ if such standard applies; and, if the vehicle is a custom

⁷*Id.* § 501.091(9): “‘Nonrepairable motor vehicle’ means a motor vehicle: (A) that is damaged, wrecked, or burned to the extent that the only residual value of the vehicle is as a source of parts or scrap metal; (B) that comes into this state under a comparable ownership document that indicates that the vehicle is nonrepairable; (C) that a salvage vehicle dealer has reported to the department under Section 501.1003; (D) for which an owner has surrendered evidence of ownership for the purpose of dismantling, scrapping, or destroying the motor vehicle; or (E) that is sold for export only under Section 501.099.”

⁸43 TAC § 217.3(6)(D).

⁹43 TAC § 217.3(6)(A).

¹⁰43 TAC § 217.3(6)(B).

¹¹43 TAC § 217.3(6)(C).

¹²43 TAC § 217.143(a) and (b).

¹³43 TAC § 217.143(c).

¹⁴ If “inspector” means “master technician” in this instance, TADA offers that the provision be amended to say master technician to avoid any misunderstanding.

¹⁵Federal Motor Vehicle Safety Standards, 49 C.F.R. Part 571.

vehicle or street rod, that it is properly equipped and operational for the year of manufacture.¹⁶

A master technician is a person who holds a valid Certified Master Automobile and Light Truck Technician certification or an equivalent certification issued by the NIASE (National Institute of Automotive Service Excellence).¹⁷

If the department-prescribed verification form that is completed by the master technician does not include written verification that the vehicle was not assembled, built, constructed, rebuilt, or reconstructed in any manner with a body or frame from a “nonrepairable” vehicle as well as written verification from the master technician that the inspected vehicle does not have a motor or engine that has water damage, TADA requests that this information and verification be encompassed on the form.

In addition, TADA requests that the master technician provide written confirmation on the department-prescribed verification form that the vehicle does not use any parts that do not meet FMVSS, if such standards are applicable for those parts.

Including this information regarding the parts and vehicle quality from the master technician in writing on the verification form assists in assuring the safety, integrity, and fitness of the vehicle to the owner, vehicle passengers, fellow drivers on the road, as well as to the State.

Enforcement

Enforcing the applicant titling requirements for an assembled vehicle requires the department to determine who is the applicant applying for title. In order to establish that the applicant is eligible for an assembled vehicle title requires proof that the applicant is a hobbyist; the owner of the assembled vehicle not previously titled as an assembled vehicle; or the purchaser of an assembled vehicle constructed and designated by the manufacturer as a replica, custom vehicle, street rod, or glider kit.¹⁸

TADA is concerned that the current identification requirements do not account for the applicant’s assembled vehicle eligibility title requirements and respectfully requests the department to adopt a rule requiring the applicant to submit the necessary proof to satisfy the statutory requirements of an “applicant” prior to issuing an assembled vehicle title.

The proposed definitions for “Applicant” and “Manufacturer” in Subchapter G. Inspections

¹⁶43 TAC § 217.143(d).

¹⁷43 TAC § 217.142(b)(5).

¹⁸43 TAC § 217.402(b)(1).

§ 217.142(b) and also in Subchapter I. Assembled Vehicles § 217.402 provide:

(2) Applicant—a person applying for title to an assembled vehicle who:

- (A) is a hobbyist;
- (B) is the owner of an assembled vehicle that has not been previously titled as an assembled vehicle; or
- (C) purchased an assembled vehicle constructed and designated by the manufacturer as a replica, custom vehicle, street rod, or glider kit.

...

(4) Manufacturer—is a person that builds an assembled vehicle and is not a hobbyist, has the meaning as defined in Occupations Code § 2301.002, and is subject to the requirements of that chapter applicable to manufacturers, including sale through a franchise dealer network.

The initial application for an assembled vehicle title in proposed § 217.404(a) discusses required vehicle photographs, evidence of ownership for the basic component parts, applicable safety inspection, applicable certifications, Rebuilt Vehicle Statement, weight certificate, and the means to establish the VIN. A requirement for any initial application for title also necessitates an applicant's photo identification in accordance with § 217.5(d).

The acceptable identification documents to apply for a title requires the applicant to present a current photo identification of the owner containing a unique identification number and expiration date. The required photo identification document may be a:

- A. Driver's license or state identification certificate issued by a state or U.S. territory;
- B. U.S. or foreign passport;
- C. U.S. military identification card;
- D. NATO identification or identification issued under a Status of Forces Agreement;
- E. U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services, or U. S. Department of State identification document; or,
- F. Concealed handgun license or license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.¹⁹

Proposed § 217.405 states that an applicant's evidence of ownership must accompany the title application as well as the manufacturer's certificate of origin for a replica, custom vehicle, street rod, or a glider kit that is built by a manufacturer. An applicant for an assembled vehicle provides evidence of ownership for an assembled vehicle by providing the bill of sale for the assembled vehicle's motor, frame, body, kit, or an applicable certificate of origin or title. With respect to new fabrication, a bill of sale, invoice, or receipts covering the material used to construct the basic component part is required.

¹⁹43 TAC § 217.5(d).

An applicant for an assembled vehicle title can be a “hobbyist” but a “hobbyist” cannot be a “manufacturer.”²⁰ The verification and subsequent enforcement regarding an applicant for an assembled vehicle title is a concern that does not appear to be addressed. The required identification documents listed above, do not verify whether a person is a “hobbyist”; if the person is engaging in the continuous sale of vehicles²¹; or, if the person is a manufacturer or a kit maker.

The 86th Legislature specifically requires that a hobbyist is building or assembling for their personal use and is not engaging in the continuous sale of vehicles. A hobbyist is also not a kit maker or a manufacturer under Chapter 731.

Authenticating that an applicant is an owner or a “hobbyist” who is building or assembling for their personal use and is not engaged in the continuous sale of vehicles is necessary because otherwise, Chapter 2301, Occupations Code may apply.²² If the applicant is a manufacturer and not a “hobbyist,” then Chapter 2301 is applicable and licensing and enforcement are actionable by the department; thus, it is necessary for the department to confirm the title applicant’s status before issuing the title on the assembled vehicle.

TADA respectfully requests that the department adopt procedures regarding the verification and enforcement that an assembled vehicle title “applicant” meets the requirements for an assembled vehicle title issuance prior to issuing the title.

Replica

A “replica” vehicle may appear to be an originally manufactured and equipped motor vehicle by a licensed manufacturer. The ownership of an assembled vehicle that is a “replica,” may be transferred to or by a Texas licensed dealer and the title is required to show a “REPLICA” remark.²³

²⁰*Id.* § 731.001(9): “Hobbyist” means a person who: (A) builds or assembles an assembled vehicle for personal use; (B) does not engage in the continuous sale of vehicles, as defined by the department; and (C) is not the maker of a kit or a manufacturer; as defined by Section 2301.002, Occupations Code.

²¹“Continuous sale” is defined as offering for sale or the sale of five or more assembled vehicles of the same type in a calendar year when such vehicles are not owned and titled in the name of the owner (§ 217.402(b)(3)).

²²TEX. OCC. CODE ANN. § 2301.0045: “This chapter does not apply to an assembled vehicle or a hobbyist, as those terms are defined by Section 731.001, Transportation Code.” (Vernon Supp. 2019).

²³*Id.* § 503.013(b); 43 TAC § 217.407(c).

Since a “replica” may appear to a buyer to be an originally manufactured vehicle, TADA recommends that the department require the master technician’s inspection be given to each subsequent retail and wholesale purchaser so that the buyer is informed as to their “replica” assembled vehicle purchase.

A “replica” is a vehicle that uses a manufactured prefabricated body or a body constructed from materials not original to the vehicle and that resembles an established make of a previous year vehicle model. The term may include a “custom vehicle” or “street rod.”²⁴

A “custom vehicle” is a vehicle that is at least 25 years old and of a model year after 1948; or, it is manufactured to resemble a vehicle that is at least 25 years old and of a model year after 1948 and altered from the manufacturer’s original design or it has a body constructed from materials not original to the vehicle.²⁵

A “street rod” is a vehicle that was manufactured before 1949 or it was manufactured after 1948 to resemble a vehicle manufactured before 1949; and, it has been altered from the manufacturer’s original design or has a body constructed from materials not original to the vehicle.²⁶

TADA is concerned that the “REPLICA” title notation may not be an adequate disclosure to a purchaser regarding the vehicle as an assembled vehicle. If an individual does not have access to the title, to the state’s title system, or does not know to look for the title remark, then the vehicle as a “REPLICA” may not be known to that purchaser.

TADA requests the department to determine that a disclosure statement accompany the vehicle in which the master technicians’s inspection certification is incorporated and provided to the buyer prior to purchase. By incorporating the master technician’s inspection, the subsequent buyer is informed of the master technician’s findings and the details regarding that inspection. Providing the master technician’s inspection report to subsequent buyers prior to their purchase will allow the next purchaser to make an informed decision regarding the assembled vehicle.

Summary

The titling and registering of an assembled vehicle is a significant responsibility that the Legislature gave to the department and the Texas franchised dealers are most appreciative of the

²⁴*Id.* § 731.001(12).

A “custom vehicle” and “street rod” have the meanings assigned by Section 504.501. See Transportation Code § 731.001(6)

²⁵*Id.* § 504.501(f)(1).

²⁶*Id.* § 504.501(f)(2).

department's work regarding the proposed rules.

In order for the public and a buyer of an assembled vehicle to be informed regarding their purchase, TADA requests that the master technician include the following required information, if it is not already included, on the department-prescribed form:

1. Written verification regarding the non-use of any "nonrepairable" vehicle body or frame in the assembly of the vehicle.
2. Written verification of the non-use of any motor or engine that has been the subject of water damage in the assembly of the vehicle.
3. Written verification that the vehicle uses parts meeting the FMVSS, if such standards are applicable for those parts.

TADA also requests that:

4. Prior to titling or registering an assembled vehicle, that the applicant establish their status as an "applicant."

In other words, the applicant must verify their status as a "hobbyist" who builds or assembles the vehicle for their personal use and does not engage in the continuous sale of vehicles and is not the maker of a kit or a manufacturer; the owner of an assembled vehicle that has not been previously titled as an assembled vehicle or that the applicant purchased an assembled vehicle constructed and designated by the manufacturer as a replica, custom vehicle, street rod, or glider kit.

As a manufacturer cannot be a hobbyist, it is necessary that verification of an applicant's standing to obtain a title to an assembled vehicle is given to the department prior to the department issuing an assembled vehicle title.

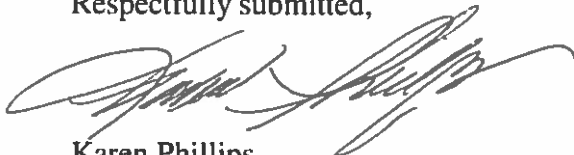
TADA also recommends that:

5. The master technician's inspection report be available to any buyer prior to their purchase so that knowledge of the assembled vehicle, including a "replica," is disclosed and included in the buying decision.

Although the "REPLICA" remark appears on the vehicle's title, the next purchaser may not see the vehicle title prior to purchase; may not access the state's title system to see the remark; or may not be aware of the remark.

On behalf of TADA, I appreciate the opportunity to comment on the assembled vehicle proposal. If there is any question regarding the comments, please do not hesitate to contact me.

Respectfully submitted,



Karen Phillips
General Counsel/EVP

From: Stuart Gosswein
To: Zz - Resource - GCO Rules
Subject: Proposed Amendments and New Sections to Title 43 TAC: Assembled Vehicles: SEMA Comments
Date: Tuesday, January 21, 2020 2:02:52 PM
Attachments: SEMA Comments on Proposed Regulations for Assembled Vehicles.pdf

All:

The Specialty Equipment Market Association (SEMA) appreciates the opportunity to comment on the proposed amendments and new sections to Texas Administrative Code concerning assembled vehicles. Attached please find the comments.

Let me know if you have any follow-up questions. Thanks.

Stuart

Stuart Gosswein
Sr. Director, Federal Government Affairs
Specialty Equipment Market Association (SEMA)
1317 F Street, NW, Suite 500, Washington, DC 20004
202/777-1220
stuartg@sema.org

Via email: rules@txdmv.gov

January 21, 2020

Ms. Tracey Beaver
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, TX 78731

Re: Proposed Amendments and New Sections to Title 43 TAC: Assembled Vehicles

Dear Ms. Beaver:

The Specialty Equipment Market Association (SEMA) welcomes the opportunity to comment on the proposed amendments and new sections to Texas Administrative Code concerning assembled vehicles (43 TAC s.s.217.3, 217.141 - 217.143 and new s.s.217.401 - 217.407). The regulations implement Texas Transportation Code Chapter 731, as added by Texas House Bill 1755 in 2019.

SEMA represents the \$45 billion specialty equipment automotive aftermarket industry. The trade association includes more than 7,500 businesses nationwide—including 453 members in Texas—that manufacture, distribute, market and retail specialty parts and accessories for vehicles. The products produced by our member companies include performance, functional, restoration and styling-enhancement products for use on passenger cars, trucks and special interest collector and historic vehicles, including assembled vehicles which are the subject of these regulations.

SEMA was pleased to participate in the Assembled Vehicles Working Group convened by the Texas Department of Motor Vehicles in 2018 to consider how assembled vehicles are regulated. The Working Group meetings were very well-organized and productive. SEMA also appreciated the chance to work with members of the Texas state legislature and their staff to craft H.B. 1755. SEMA supports the changes to the law and proposed regulations to implement the law.

In reviewing the proposed regulations, SEMA requests additional clarification on one topic: the inspection requirements. Specifically, SEMA seeks clarification on what items are to be included in the inspection of assembled vehicles. SEMA believes the assembled vehicle is subject to specific vehicle equipment delineated under Texas Transportation Code Subchapter C, Section 731.102 for issuance of title and inspection

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by a Master Technician. The covered items include the chassis, tires, wheel assembly, brake system, steering system, drive train, and suspension among other items.

SEMA raises the issue since the proposed amendment to §217.142(b)(3) defines the term “equipment” to describe the items and systems that the inspector will need to inspect. The definition references some equipment beyond the scope of TTC Section 731.102. SEMA respectfully requests that the regulation clarify that the inspection will be for items and systems required under the law to be present on an assembled vehicle, which may not include all listed items and systems listed under §217.142(b)(3) depending on the type of vehicle. SEMA specifically seeks an expanded definition for “and all integral items” referenced with “motor fuel supply system” and “exhaust system.”

Thank you for your consideration of these comments. Please feel free to contact me if you have questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stuart Gosswein", with a long horizontal flourish extending to the right.

Stuart Gosswein
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From: [Layton, Amber](#)
To: [Zz - Resource - GCO Rules](#)
Cc: [Keister, Ronald \(Ronnie\)](#)
Subject: TxDMV Rules 217.3, 217.141-217.143 and 217.401-217.407.
Date: Tuesday, January 21, 2020 11:09:55 AM
Attachments: [Response Letter 21Jan2020.pdf](#)

Good morning,

Here are the comments from the Lubbock County Tax Office on proposed rule 217.3, 217.141-217.143 and 217.401-217.407.

Thank you,

Ronnie Keister



Ronnie Keister
Lubbock County Tax Assessor-Collector
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January 21, 2020

Office of General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, TX 78731

Via Email to: rules@txdmv.gov

SUBJECT: Response to TxDMV 43 TAC §217.3, §217.141-217.143 and §217.401-217.407

DMV Board Members and Agency Leadership:

Please accept this letter as official notice of support for proposed rule for chapter 217 relating to vehicle titles and registration.

The proposed amendment to §217.3(2)(D) concerning farm trailers and farm semitrailers corresponds with the subparagraphs of the Transportation Code §501.004(b)(1) and §501.036. These statutes require a farm trailer or semitrailer with a gross weight of more than 34,000 to be titled, while permissively allowing farm trailers or semitrailers with a gross weight of 34,000 or less to be titled. The Registration Manual states farm trailers and semitrailers cannot have a gross weight exceeding 34,000. Therefore, anything that exceeds this weight would not be considered a farm trailer, correct? I've included reference material from the proposed rule, the Motor Vehicle Registration Manual, the Transportation Code and Form VTR-52-A Application for Farm License Plates.

Proposed Subchapter A. Motor Vehicle Titles.
43 TAC §217.3 Motor Vehicle Titles



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6 (D) A farm trailer or farm semitrailer is any trailer or semitrailer registered in
7 accordance with Transportation Code §502.146. Owners of farm trailers and farm semitrailers with a gross
8 weight of 34,000 pounds or less may apply for a Texas title. Owners of farm trailers and farm semitrailers
9 with a gross weight in excess of 34,000 pounds shall apply for a Texas title. If a farm trailer or farm
10 semitrailer with a gross weight of 34,000 pounds or less has been titled previously, any subsequent owner
11 shall apply for a Texas title for the farm trailer or farm semitrailer. [Farm semitrailers with a gross weight
12 of more than 4,000 pounds that are registered in accordance with Transportation Code, §502.146, may
13 be issued a Texas title.]

Motor Vehicle Registration Manual, January 2020, Chapter 7.7 Farm Vehicles.

Registration

Farm Truck and Farm Truck-Tractor License Plates are issued on a staggered basis. Registration begins on the first day of the month in which the applicant applies and is valid for 12 months. Farm trucks that also pull semi-trailers must be registered with Farm Truck-Tractor License Plates. Each unit in the combination must be registered separately for its own weight. For example, to register a truck-tractor at the maximum weight register the truck-tractor at 46,000 lbs, and the semi-trailer at 34,000 lbs.

TRANSPORTATION CODE
TITLE 7. VEHICLES AND TRAFFIC
SUBTITLE A. CERTIFICATES OF TITLE AND REGISTRATION OF VEHICLES
CHAPTER 502. REGISTRATION OF VEHICLES
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 502.146. CERTAIN FARM VEHICLES AND DRILLING AND CONSTRUCTION EQUIPMENT.

(b) An owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle is:

(1) a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively:



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Application for Farm License Plates, Form VTR-52-A:

Farm Trailer/Semitrailer is owned by a cotton gin and will be supplied, without charge, to farmers to haul agricultural products from the place of process, market, or storage of the agricultural products to the farm. The vehicle will not be used for the current year with a gross weight in excess of 34,000 lbs.

The concern listed needs to be addressed prior to the approval of this rule. Please call me if you have any additional questions.

Respectfully,

A handwritten signature in blue ink, appearing to read "Ronnie Keister", is written over a horizontal line.

Ronnie Keister

Tax Assessor-Collector