

1 **ADOPTION OF**

2 **Subchapter B. Vehicle Titles and Registration**

3 **43 TAC §§217.22, 217.27, 217.32, 217.38, 217.41, 217.55, and 217.58- 217.64**

4 **INTRODUCTION.** The Texas Department of Motor Vehicles (department) adopts amendments to 43
5 TAC §§217.22, 217.27, 217.32, 217.38, 217.41, 217.55 and new 43 TAC §§217.58 - 217.64. The
6 department adopts §§217.22, 217.27, 217.32, 217.38, 217.41, 217.55, 217.60, 217.61, 217.63, and
7 217.64 without changes to the proposed text as published in the April 17, 2020 issue of the *Texas*
8 *Register* (45 TexReg 2521). The department adopts §§ 217.58, 217.59 and 217.62 with changes to
9 the proposed text as published in the April 17, 2020 issue of the *Texas Register* (45 TexReg 2521).

10 **REASONED JUSTIFICATION.** These new and amended sections are necessary to implement Senate Bill
11 604, 86th Legislature, Regular Session (2019), which amended Transportation Code Chapter 504 by adding
12 Subchapter B-1 to allow certain vehicles to be equipped with digital license plates.

13 **§217.22**

14 The adopted amendments to §217.22 are necessary to add definitions that relate to digital license
15 plates.

16 Amended §217.22(11) defines "digital license plate" to create a conforming reference to
17 Transportation Code §504.151.

18 Amended §217.22(12) defines "digital license plate owner" to create a conforming reference to
19 Transportation Code §504.151.

20 Amended §217.22(21) defines "GPS" as a global positioning system (GPS) tracking device to
21 address the collection of information by a receiver in a digital license plate that can determine the location
22 of the digital license plate. GPS features are not expressly addressed in Transportation Code Chapter 504
23 Subchapter B-1.

1 Amended §217.22(25) defines "legend" to clarify the meaning of the term as it is used in the
2 definition of the phrase "required digital license plate information" in these adopted rules. The term
3 "legend" is defined as a name, motto, slogan, or registration expiration notification appearing on and
4 centered horizontally at the bottom of the license plate. The definition is also necessary to clarify that a
5 digital license plate must display a registration expiration notification.

6 Amended §217.22(27) defines "metal license plate" to differentiate between a metal license plate
7 and a digital license plate.

8 Amended §217.22(30) defines "optional digital license plate information" as any information
9 authorized to be displayed on a digital license plate in addition to required digital license plate
10 information. Amended §217.22(30)(A) - (D) list examples of optional digital license plate information.

11 Amended §217.22(31) defines "park" to conform with the statutory meaning in Transportation
12 Code §541.401.

13 Amended §217.22(33) defines "primary region of interest" to describe the size requirements of
14 the alphanumeric characters representing the plate number.

15 Amended §217.22(35) defines "required digital license plate information" to clarify the minimum
16 information that must be displayed on a digital license plate. This definition is necessary to clarify that the
17 same information required to be displayed on a metal license plate must also be displayed on a digital
18 license plate: alphanumeric characters representing the plate number, the word "Texas," the legend, and
19 the registration expiration month and year, if applicable. The definition also clarifies that digital license
20 plates must also display the registration expiration notification if the vehicle's registration is expired. The
21 department has sole control over the design, typeface, color, and alphanumeric pattern for all license
22 plates under Transportation Code §504.005.

1 Amended §217.22(36) defines "secondary region of interest" to describe the size requirements
2 for the field with the word "Texas" centered on the top of the plate.

3 **§217.27**

4 The amendments to §217.27 are necessary to clarify the exclusions for digital license plates from
5 the existing paragraph, and clarify existing requirements for metal license plates. Amended §217.27(a)(2)
6 exempts digital license plates from existing requirements for displaying vehicle registration insignia for
7 certain vehicles without a windshield. Amended §217.27(a)(3) clarifies that if a vehicle has a digital license
8 plate, then the expiration month and year will appear digitally on the electronic visual display, and any
9 registration insignia issued by the department must be retained in the vehicle. Vehicles with a digital
10 license plate will be issued a voided registration sticker that will not to be affixed to the windshield.
11 Vehicles with metal license plates that do not have a windshield are issued registration stickers that must
12 be adhered to the rear metal license plate. This amendment provides consistency for law enforcement
13 for metal license plates and digital license plates. The amendment also helps the digital license plate
14 owner because they will have the metal license plate in their vehicle and their registration receipt in the
15 event their digital license plate becomes inoperable or unreadable.

16 Amendments to §217.27(b)(1) add language clarifying that license plates must be clearly visible,
17 readable, and legible and that the rear license plate must be in an upright horizontal position. These
18 amendments are necessary to assist law enforcement by facilitating a quicker replacement of license
19 plates that have become unreadable or illegible due to age or wear and to facilitate enforcement when a
20 license plate is not placed on the vehicle in an upright position. These amendments also help ensure that
21 license plates are readable and legible as required by §217.32, as well as Transportation Code §§502.475,
22 504.155(b)(2), and 504.945.

23 **§217.32**

1 The amendments to §217.32 are necessary to differentiate between metal license plates and
2 digital license plates. Amended §217.32(a) - (b) add "metal" and "metal license plate" to differentiate
3 between metal license plates and digital license plates. A replacement digital license plate will be obtained
4 from a digital license plate provider, rather than from a county tax assessor-collector.

5 **§217.38**

6 The amendment to §217.38 is necessary to differentiate between metal license plates and digital
7 license plates. Amended §217.38(1) adds "metal" to differentiate between metal license plates and digital
8 license plates. The customer is not required to return the digital license plate to the county tax assessor-
9 collector when applying for a registration fee credit.

10 **§217.41**

11 The amendments to §217.41 are necessary to differentiate between metal plates and digital
12 license plates. A replacement digital license plate will be obtained from a digital license plate provider,
13 rather than from a county tax assessor-collector.

14 **§217.55**

15 The amendments to §217.55 are necessary to differentiate between metal license plates and
16 digital license plates. Amended §217.55(c)(1) and (2) add "metal license" to differentiate between metal
17 license plates and digital license plates. A replacement digital license plate will be obtained from a digital
18 license plate provider, rather than from a county tax assessor-collector.

19 **§217.58**

20 New §217.58 lists the types of vehicles that are eligible and ineligible for a digital license plate and
21 the requirements for eligibility verification and issuance of digital plates. New §217.58(a) lists the
22 statutorily-eligible vehicles as any vehicle owned or operated by a governmental entity, any commercial
23 fleet vehicle, or a truck, motorcycle, moped, trailer, semitrailer, or sport utility vehicle or other vehicle

1 that is required to be registered under Transportation Code, Chapter 502. Changes were made to the
2 proposed language in amended §217.58 to clarify the reference to fleet vehicle and to ensure that the
3 previously listed vehicles included all possible eligible vehicles under Transportation Code, Chapter 502.
4 These amendments to the rule text do not alter the eligibility requirements for a digital license plate
5 outlined in statute, do not put additional stakeholders on notice, and add no additional costs.

6 New §217.58(b) lists which vehicles are ineligible for a digital license plate. The proposed language
7 in §217.58(b) was amended for clarity. Section §217.58(b) was amended after proposal to clarify that any
8 vehicle registered as a passenger vehicle, that is not part of a commercial fleet or owned or operated by
9 a governmental entity, is ineligible for a digital license plate. These amendments to the rule text do not
10 alter the eligibility requirements for a digital license plate outlined in statute, do not put additional
11 stakeholders on notice, and add no additional costs.

12 New §217.58(c) is necessary to ensure that digital license plate providers and applicants are aware
13 that registration is completed separately from digital license plate issuance and that all digital license plate
14 owners are issued their metal license plates to attach to the vehicle in case of digital license plate removal
15 or malfunction. The proposed rule text in Section 217. 58(c)(5) has been deleted because it was
16 unnecessary and may cause confusion as to whether a digital license plate could be replaced if it was lost
17 or malfunctioned. The original purpose of the requirement, to prevent one vehicle from being linked to
18 two or more different digital license plates, will be achieved through department programming controls.

19 **§217.59**

20 New §217.59 outlines the requirements for digital license plate testing. New §217.59 requires a
21 digital plate provider to provide the department with documentation demonstrating that testing was
22 completed on a digital license plate model before the approval and initial deployment of that digital
23 license plate model, and for each subsequent hardware upgrade. A hardware upgrade is any upgrade to

1 any physical aspects of the digital license plate except for the mounting bracket. The documentation
2 demonstrating that testing was completed must be sufficient for the department to be assured that the
3 digital license plate approved for use was tested in a manner set forth by the department. The
4 documentation must include a description of the testing protocols and methods and must be conducted
5 by governmental entities, universities, or independent nonprofit research and development
6 organizations. New §217.59 is necessary to ensure that digital license plates meet the statutory
7 requirements for license plates and that the testing is conducted by the types of organizations with which
8 the department has established relationships. The department works with these types of entities on a
9 regular basis for different projects and requiring these types of entities to perform testing will ensure
10 consistency and independence in testing. The testing must be conducted for four separate issues:
11 reflectivity, legibility, readability, and network and data security. As discussed in the response to
12 comments, the proposed rule text has been changed to require reflectivity testing with results
13 demonstrating that the digital license plates are manufactured utilizing reflectorized material as required
14 by Transportation Code, §504.005, and are reflective in daytime, as defined in Transportation Code,
15 §541.401 and nighttime, as defined in Transportation Code, §541.401 with the use of low beam
16 headlights, at a distance of no less than 75 feet. Reflectivity testing with results demonstrating that the
17 digital license plates perform consistently with the International Organization for Standardization ISO
18 7591, clauses 6 and 7 is preferred. This change is necessary to provide an incentive for digital license plate
19 providers to achieve retroreflectivity as the technology develops, while not creating a barrier to enter the
20 market if the standard is not currently possible. The digital license plate provider must comply with the
21 requirement in Transportation Code §504.005(d), which promotes highway safety by requiring that each
22 license plate is made with a reflectorized material that provides effective and dependable brightness for
23 the period for which the plate is issued. New §217.59(2) requires legibility testing with results

1 demonstrating that digital license plates are legible during daytime and also during nighttime using low
2 beam headlights, under optimal conditions, at a distance of no less than 75 feet. New §217.59(2) also
3 requires readability testing with results demonstrating that digital license plates are readable with
4 commercially-available automated license plate readers, and in a variety of weather conditions. This is
5 necessary to comply with the industry standard and to comply with the requirement that the digital
6 license plate display be legible under Transportation Code §504.155(b)(2); to ensure that law enforcement
7 can read the digital license plate to determine compliance with Transportation Code §504.945; and to
8 ensure that law enforcement and toll entities can read the digital license plates with commercially-
9 available automated license plate readers. New §217.59(3) requires commercially-available penetration
10 testing for protection of the digital license plate, the electronic display information, and the digital license
11 plate provider's systems. The penetration testing will be decided by the department and the provider in
12 the contracting process. New §217.59(3) is necessary to ensure the safety and security of the digital
13 license plates for the benefit of the digital license plate owner, law enforcement, and the public. If the
14 digital license plate or the provider's system are vulnerable to penetration, this could enable fraud and
15 jeopardize public safety. In addition to testing before initial approval and each subsequent hardware
16 upgrade, penetration testing must be completed for each software or firmware upgrade. This
17 requirement is necessary to ensure that new vulnerabilities are not instituted in subsequent updates.

18 **§217.60**

19 New §217.60 outlines the specifications and requirements for digital license plates. New
20 §217.60(a) requires digital license plate providers to ensure that the digital license plate meets or exceeds
21 the benefits to law enforcement provided by metal license plates. This requirement is necessary to
22 conform to the statutory requirement in Transportation Code §504.155(b)(4). New §217.60(a) paragraphs
23 §217.60(a)(1) - (4) provide further requirements for the digital license plate. Paragraph §217.60(a)(1)

1 outlines the physical requirements for a digital license plate. Paragraph §217.60(a)(2) requires that the
2 digital license plate include one or more security features that verify the plate was issued by an approved
3 digital license plate provider. Paragraph §217.60(a)(2) is necessary to provide benefits to law enforcement
4 by allowing them to visually ensure that a digital license plate is not a counterfeit. Metal license plates
5 have two security features that law enforcement can visually check to see if the metal license plate is
6 counterfeit. Paragraphs §217.60(a)(3) - (4) require a digital license plate to display the same information
7 as a metal license plates while not in park. This includes displaying required digital license plate
8 information and the registration expiration month and year in the same font size and location as the
9 information displayed on the corresponding metal license plate; as well as ensuring that the required
10 information continues to display when the digital license plate is not connected to a wireless network.
11 These requirements are necessary to fulfill the requirement under Transportation Code §504.155 for the
12 board of the Texas Department of Motor Vehicles (board) to set the specifications and requirements for
13 digital license plates. By setting consistent standards and features, the department is aiding law
14 enforcement by preventing fraud and aiding consumers by ensuring their digital license plate displays the
15 information required by law.

16 New §217.60(b) outlines the requirements for placement of a digital license plate and the vehicle
17 registration insignia for a vehicle displaying a digital license plate. New §217.60(b)(1) requires that the
18 digital license plate must be attached to the exterior rear of the vehicle. This requirement is necessary to
19 comply with the definition of digital license plate defined in Transportation Code §504.151, which states
20 that a digital license plate is designed to be placed on the rear of a vehicle in lieu of a physical, metal
21 license plate. This requirement is also necessary to comply with Transportation Code §504.154(a), which
22 states a digital license plate is placed on the rear of the vehicle in lieu of a physical, metal license plate.
23 New §217.60(b)(2) requires a metal license plate to be attached to the exterior front of the vehicle, unless

1 the vehicle is not required to display a plate on the front of the vehicle under this chapter. This
2 requirement is necessary to comply with the requirements in Transportation Code §504.943 and 43 TAC
3 §§217.27(b), 217.46(b)(3), and 217.56(c)(2)(E). New §217.60(b)(3) requires that the vehicle's registration
4 insignia for validation of registration must be displayed in accordance with 43 TAC §217.27. Owners of
5 vehicles with digital license plates will keep their registration receipt in or on the vehicle, and their
6 registration month and year will be displayed on the electronic visual display of the digital license plate.
7 New §217.60(b)(3) is necessary to provide consistency for law enforcement and limit fraud.

8 **§217.61**

9 New §217.61 outlines the prohibitions and requirements for digital plate designs and display.
10 New §217.61(a)(1) prohibits digital license plate providers from creating or designing a specialty license
11 plate under Transportation Code Chapter 504 unless they have a contract with the department under
12 Transportation Code §504.851. This is necessary to ensure that the department is aware of and approves
13 all specialty license plates in the state of Texas. If specialty plates were created without the department's
14 knowledge and approval it would be difficult to verify the legitimacy of the license plates. New
15 §217.61(a)(2) requires the digital license plate provider to enter into a licensing agreement, with standard
16 language as approved by the department, for the display of any third party's intellectual property on a
17 digital license plate. New §217.61(a)(2) is necessary to protect third-party intellectual property.

18 New §217.61(b) outlines the requirements for the display of information on a digital license plate.
19 New §217.61(b)(1) requires that the display of electronic information on a digital license plate be
20 approved by the department. New §217.61(b)(1) provides that the digital license plate may not be
21 personalized under any region of interest except under current rules governing specialty license plates.
22 New §217.61(b)(1) is necessary to maintain consistency between digital license plates and metal license
23 plates which assists law enforcement by ensuring that the digital license plate information is readable and

1 legible. New §217.61(b)(2) - (4) describe the requirements for the display of optional digital license plate
2 information while the vehicle is in park. These requirements are necessary to permit digital license plates
3 to display an emergency alert, public safety alert, manufacturer or safety recalls, advertising or parking
4 permits, while ensuring that the required digital license plate information remains legible and readable
5 for law enforcement when the vehicle is in park. New §217.61(b)(5) permits the digital license plate
6 provider to electronically collect tolls with approval by and agreement with the appropriate toll entity.
7 New §217.61(b)(5) provides a possible benefit to digital license plate owners.

8 New §217.61(c) requires that digital license plate providers display an expiration message on the
9 digital license plate if registration has not been renewed at the time of registration expiration, and that
10 the expiration message may not be removed until after the department confirms renewal of expired
11 registration and clarifies that optional digital license plate information may not encroach on the primary
12 and secondary regions of interest. New §217.61(c) is necessary because Transportation Code
13 §504.155(b)(4) requires a digital license plate to provide benefits to law enforcement that meet or exceed
14 the benefits provided by a metal license plate.

15 New §217.61(d) prohibits digital license plate providers from displaying an emergency alert or
16 other public safety alert, vehicle manufacturer safety recall notices, advertising, or a parking permit on a
17 digital license plate without authorization from the digital license plate owner. This is necessary to ensure
18 that the digital license plate does not display this optional digital license plate information without the
19 owner's approval. For example, a person who graduated from a university might not like it if they were
20 required to display the logo of a rival university on their license plate. New §217.61(d)(2) - (3) discuss the
21 disclosure of GPS data. Unless the disclosure of the GPS data is required by law, the digital license plate
22 provider may not disclose GPS data to any person unless it explains to the digital license plate owner how
23 the GPS data will be used and to whom it will be disclosed, and the digital license plate owner consents

1 to its disclosure. This is necessary to protect the privacy and safety of digital license plate owners.
2 Additionally, the department's Vehicle Titles and Registration Advisory Committee recommended these
3 disclosure requirements and their recommendation was adopted by the board at its February 6, 2020
4 board meeting. New §217.61(d)(4) prohibits the digital license plate provider from requiring the owner to
5 authorize the display of optional digital plate information or the disclosure of GPS data as a condition of
6 purchase of lease of a digital license plate. This is necessary to protect the digital license plate owner's
7 right to decide whether to opt in. New §217.61(d)(5) and (d)(6) require the digital license plate provider
8 to immediately discontinue the display of optional digital license plate information at the digital license
9 plate owner's request and to have the same mechanism for opting in and out of the display of the optional
10 digital license plate information. This requirement is necessary to allow the digital license plate owner a
11 consistent way to opt out of the display of optional digital license plate information on their digital license
12 plate after they have opted in.

13 **§217.62**

14 New §217.62 outlines the requirements for a digital license plate provider if a digital license plate
15 is removed or malfunctions. New §217.62(a) requires that the digital license plate provider have a
16 mechanism to prevent theft and tampering with the digital license plate. New §217.62(a)(1) and (a)(2)
17 require the digital license plate provider to ensure that the digital license plate ceases the display of
18 required digital license plate information in case of malfunction, if service is terminated, or if it determines
19 that the digital license plate has been compromised, tampered with, or fails to maintain the integrity of
20 registration data. The proposed rule text in 217.62 (a)(1) has been new to add a missing word. New
21 §217.62(a) is necessary to help prevent fraud and protect consumers if their digital license plate is stolen.

22 New §217.62(b) outlines when the digital license plate provider must notify the department. New
23 §217.62(b)(1) - (4) require digital license plate providers to immediately notify the department in case of

1 digital license plate commencement of service, termination of service, determination that the digital
2 license plate has been compromised, or the transfer of a digital plate to a new owner. These requirements
3 are necessary to ensure that the department has accurate and current data on the digital license plates.

4 New §216.62(c) permits a digital license plate provider to disable the display of a digital license
5 plate if the digital license plate owner fails to pay the provider's fees. This is necessary to allow a digital
6 license plate provider to discontinue service when the digital license plate owner is not paying the fees
7 required by their contract.

8 **§217.63**

9 New §217.63 outlines the digital plate fees and payment. New §217.63(a) requires that a person
10 applying for a digital license plate must pay an administrative fee of \$95.00 upon application for a digital
11 license plate and annually on renewal of registration for a vehicle with a digital license plate. The fee will
12 be aligned with the registration period and adjusted to yield the appropriate fee. The administrative fee
13 is necessary to recoup the department's costs to implement and then administer the digital license plate
14 program for the first five years. The implementation and administration cost is estimated to be \$1.8
15 million. The breakdown of this estimate is as follows:

16	Programming – Information Technology	\$1,036,550
17	Program Specialists (two FTEs)	<u>\$815,625</u>
18	IMPLEMENTATION COST	\$1,852,175 Total

19 To determine an administrative fee, the total estimated implementation cost was divided by the
20 number of digital license plates issued in California (1,300 plates total), since that is the only jurisdiction
21 with a digital plate program that has been operational for several years. That amount was divided by
22 fifteen with the goal of recouping the implementation and administration cost in approximately fifteen
23 years. The amount of the fee and the time of its collection were recommendations from the department's

1 Vehicle Titles and Registration Advisory Committee, and the recommendations were adopted by the
2 board at its February 6, 2020 board meeting. New §217.63(a)(3) clarifies that a digital license plate
3 administrative fee will be refunded only when registration fees are overcharged under Transportation
4 Code §502.195. This is necessary to inform consumers of when a refund will be issued.

5 New §217.63(b) clarifies that the \$95 administrative fee is due upon receipt of an application for
6 a digital license plate and annually on renewal of registration for a vehicle with a digital license plate. This
7 is necessary to ensure that the fees for digital license plates are being paid and timely deposited into the
8 state treasury under Government Code §404.094. It also clarifies that a digital license plate provider that
9 collects the administrative fee must submit payment of the fee to the department in full on behalf of the
10 digital license plate owner.

11 **§217.64**

12 New §217.64 outlines the services that a digital license plate provider is required to provide,
13 including digital license plate replacement when necessary. New §217.64(a)(1) requires a digital license
14 plate provider to provide customer support for customers during standard business hours, Central Time.
15 This requirement is necessary to ensure that customers can access support if they have issues with their
16 digital plate and it corresponds to the hours that customer service is available for a metal license plate.
17 New §217.64(a)(2) clarifies that a customer must go to the digital plate provider for repair, service, and
18 replacement of a digital license plate. This clarification is necessary so that customers are aware of who
19 to contact in case an issue arises with their digital license plate.

20 New §217.64(b) informs the customer where they can obtain a replacement license plate. New
21 §217.64(b)(1) clarifies that if a customer wants a replacement digital license plate they can obtain one
22 from the provider. New §217.64(b)(2) permits the customer to install the rear metal license plate issued
23 for the vehicle in lieu of the digital license plate. New §217.64(c) explains how to obtain a replacement

1 metal license plate. New §217.64(b) and (c) are necessary because customers need to know where to
2 obtain replacement plates if their digital license plate malfunctions or is destroyed, or if their metal license
3 plate is lost, stolen, mutilated, or needs to be replaced for cosmetic or readability reasons. Digital plate
4 owners cannot operate their vehicle until the digital license plate is repaired or replaced, or until they
5 remove the digital license plate and replace it with a metal license plate.

6 **REGULATORY COMPLIANCE DIVISION**

7 The new and amended sections were reviewed by the Governor's Division of Regulatory
8 Compliance (Division). The Division gave the Board permission to adopt the new and amended sections
9 on June 9, 2020.

10 **SUMMARY OF COMMENTS AND AGENCY RESPONSE.**

11 The department received written comments requesting clarifications or changes in the proposed
12 text from: Collin County Sheriff Office, Central Texas Regional Mobility Authority, North Texas Tollway
13 Authority, The Tax Assessor-Collectors Association of Texas, Lubbock County Tax Assessor-Collector,
14 Harris County Toll Road Authority, 3M, and Denton County Tax Assessor-Collector.

15 **General**

16 **Comment.**

17 A commenter requests that the initial registration and the renewal process should remain the
18 same, as with any other vehicle, through the county tax assessor's office and suggests that if the digital
19 license plate provider would like the county to collect and remit the digital license plate fees this can be
20 accomplished, however, should the provider prefer to collect the fees independently for their digital
21 plates they can bill separately.

22 **Agency Response.**

1 The department disagrees with the comment because there is no change to how a vehicle is
2 initially registered or renewed.

3 **§217.22(27)**

4 **Comment.**

5 A commenter requests that the county should be the responsible entity to issue non-digital plates
6 and not the department.

7 **Agency Response.**

8 The department disagrees with the comment because there is no change to the current process
9 on issuing metal license plates.

10 **§217.27(b)**

11 **Comment.**

12 A commenter notes that §217.27(b) and §217.60(b) appear to contemplate that most registered
13 vehicles that are eligible for a digital license plate will still display two plates and notes that this is
14 consistent Transportation Code 504.154(a), which generally requires preservation of the two-plate rule
15 for vehicles using a digital license plate.

16 **Agency Response.**

17 The department agrees with the comment and confirms that all vehicles that are required to have
18 two license plates will continue to be required to display two license plates.

19 **§217.27(a)**

20 **Comment.**

21 A commenter requests that the department clarify the difference between references to the
22 department, TxDMV, and the county tax accessor's office in §217.27(a).

1 **Agency Response.**

2 The department disagrees with the comment and declines to amend the rule to clarify the
3 definitions. The proposed rule is consistent with statutory language in Transportation Code §502.059(b).

4 **§217.58**

5 **Comment.**

6 A commenter supports the following proposed rules relevant to tolling operations in their current
7 form:

8 (a) 217.58 – Digital License Plate Eligibility

9 (b) 217.61 – Digital License Plate Designs and Displays

10 **Agency Response.**

11 The department appreciates the supportive comment.

12 **§217.58(a)(2)(b)**

13 **Comment.**

14 A commenter requests a clarification between the definition of passenger and non-passenger
15 vehicles.

16 **Agency Response.**

17 The department disagrees with the comment and declines to make the clarification in
18 §217.58(a)(2)(B) because the term passenger car and other vehicle classifications are currently defined in
19 Transportation Code, Chapter 502.

20 **§217.59**

21 **Comment.**

1 A commenter believes that the testing requirements in §217.59 should be more robust and
2 should be confirmed to work properly based on real world tests utilizing toll cameras, automatic license
3 plate readers and other equipment actually in use in the major metro areas of Texas, including Harris
4 County and the surrounding counties. Furthermore, the rules should require at least six (6) months of
5 legibility and readability testing with results demonstrating that the digital license plate technology works
6 properly, without adverse impacts from strobing or glaring effects, for toll projects in Harris County and
7 the surrounding area and the county constables and other law enforcement agencies patrolling those
8 projects, whether in daytime or nighttime and during varying weather conditions, including specifically
9 during peak periods of heat in the summer months and peak periods of cold during the winter months.

10 **Response.**

11 The department disagrees with the comment and declines to make the requested change. The
12 department agrees that accurately assigning tolls to the registered vehicle owner is important. The
13 department intends to include toll entities in testing their license plate readers and will require that digital
14 plate providers supply digital plates to toll entities for testing, under the department's contract with any
15 digital plate provider.

16 **§217.59(1)**

17 **Comment.**

18 A commenter discussed the importance of retroreflective license plate specifications and
19 encourages the department to retain the requirements in §217.59, which call for testing of the license
20 plate retroreflectivity according to ISO 7591 clauses 6 & 7, to ensure a method of fail-safe functionality
21 for the safety of Texas motorists.

22 **Agency Response.**

1 The department disagrees with the comment and declines to retain the proposed requirement in
2 §217.59(1). Upon further research and discussion with the American Association of Motor Vehicle
3 Administrators, the department has determined that current digital license plates do not have
4 retroreflectivity capabilities. While the department prefers uniform standards for retroreflectivity for all
5 license plates, it understands the importance of adopting safety standards that are achievable by a digital
6 license plate while also ensuring that all license plates meet the reflectivity requirements under
7 Transportation Code §504.005. In order to ensure that the requirements are achievable, the department
8 is amending the language in §217.59(1) to read, "(1) reflectivity testing with results demonstrating that
9 the digital license plates are manufactured utilizing reflectorized material as required by Transportation
10 Code, §504.005, and are reflective in daytime, as defined in Transportation Code, §541.401 and nighttime,
11 as defined in Transportation Code, §541.401 with the use of low beam headlights, at a distance of no less
12 than 75 feet. Reflectivity testing with results demonstrating that the digital license plates perform
13 consistently with the International Organization for Standardization ISO 7591, clauses 6 and 7 is
14 preferred." Recognizing the importance of retroreflectivity for law enforcement, this updated language
15 provides an incentive for digital license plate providers to achieve retroreflectivity as the technology
16 develops, while not creating a barrier to enter the market if the standard is not currently possible. The
17 change does not add a new requirement or cost for digital license plate providers.

18 **§217.59(2)**

19 **Comment.**

20 A commenter is supportive of the department's testing requirements under §217.59(2), but
21 suggests the addition of additional language to preserve the value of existing inventories of automated
22 license plate readers. The commenter suggests that §217.59(2) be amended to read, "demonstrating that

1 digital license plates are ... readable with automated license plate readers that were commercially
2 available as of September 1, 2019."

3 **Agency Response.**

4 The department disagrees with the comment and declines to make the requested change. The
5 department appreciates the comment and understands the importance of preserving the value of
6 automated license plate readers; however, declines to make the suggested change. If the date September
7 1, 2019, is inserted into the rule, it could subject digital license plate providers to a requirement they
8 cannot meet as technology changes. The current language which specifies that commercially available
9 automated license plate readers be used will allow the technologies to grow and shift together so that
10 the standard can continue to be reached in years to come.

11 **§217.59 and §217.60**

12 **Comment.**

13 A commenter notes that if a vehicle does not have a toll transponder, tolling agencies rely on in-
14 lane cameras and optical character recognition (OCR) to capture license plate images, correctly identify
15 the alphanumeric digits on the plate, and accurately assign tolls to the registered vehicle owner. The
16 commenter suggests that there be no fewer than six months of digital plate testing by tolling entities on
17 their in-lane cameras and OCR systems evaluating certain criteria.

18 **Agency Response.**

19 The department agrees with the comment that accurately assigning tolls to the registered vehicle
20 owner is important. The department intends to include toll entities in testing license plate readers and
21 will require that digital plate providers supply digital license plates to toll entities for testing, under the
22 department's contract with a digital plate provider.

23 **Comment.**

1 A commenter notes that tolling agencies, DMV, and law enforcement could encounter toll
2 collection and other enforcement "gaps" as digital plate owners and digital plate providers settle billing
3 disputes.

4 **Agency Response.**

5 The department agrees with the comment that a digital license plate that no longer displays
6 registration information would cause enforcement issues; however, the digital license plate owner is
7 required to replace the digital license plate with the metal license plate that they were provided at time
8 of registration issuance or renewal. Vehicles required to have two license plates will continue to display a
9 metal plate on the front of the vehicle.

10 **§217.61**

11 **Comment.**

12 A commenter believes that the DMV should decline to promulgate any rule allowing digital plate
13 vendors to serve as toll account issuers. Should DMV opt for allowing digital plate vendors to process
14 tolls, the commenter recommends the following:

15 o Afford tolling entities full discretion to decline allowing digital plate providers to embed
16 transponders in their service area or, at a minimum, the option to register plate transponder through a
17 local toll authority

18 Require a digital plate-embedded transponder to be compatible with the protocols
19 approved by the Central U.S. interoperability agreement already in effect (all Texas
20 tolling entities plus Oklahoma and Kansas toll authorities participate in that agreement)

21 Submit the digital plate vendor to the governing statutes and rules of the tolling provider, regional
22 tollway authority, regional mobility authority, or county toll road authority where the vehicle with the

1 digital plate is registered in addition to Transportation Code chapter 372, the catch-all statute for Texas
2 tolling agencies

3 **Agency Response.**

4 The department disagrees with the comment and declines to make a change. The proposed
5 language in §217.61 only allows such agreement between any digital plate provider and a toll entity as an
6 option. Any such agreement is not required. The department has no regulatory authority over the toll
7 entities operating in Texas.

8 **§217.61(b)(5)**

9 **Comment.**

10 A commenter asks if the requirement in §217.61(b)(5) authorizing electronic toll collection with
11 approval from, and agreement between, a digital license plate provider and the appropriate toll entity
12 mean that a person with a digital plate would not need the toll tag sticker on their windshield? Or does it
13 mean there would be a collection mechanism to allow the toll authority to collect tolls using the digital
14 plate owner account?

15 **Agency Response.**

16 The department disagrees with the comment and declines to make a change. The department
17 has no regulatory authority over the toll entities operating in Texas. This matter would be determined by
18 agreement between the toll entity and the digital license plate provider.

19 **Comment.**

20 A commenter requests clarification on what "appropriate toll entity" must enter into an
21 agreement with the digital license plate provider, as the rules are silent on which type of entity may be an
22 appropriate toll entity. Additionally, it believes the term "appropriate toll entity" should be limited to
23 public toll agencies in Texas.

1 **Agency Response.**

2 The department disagrees with the comment and declines to make a change. Section 217.61(b)(5)
3 does not require any toll entity to enter into an agreement with any digital license plate provider, but
4 merely permits them to. The proposed rules only apply to digital license plates and digital plate providers
5 in Texas.

6 **Comment.**

7 A commenter requests that §217.61(b)(5) be withdrawn. The commenter thinks a better
8 approach for toll collection purposes would be for the toll entities to work directly the vendor and the
9 other toll agencies in Texas to ensure that, as this kind of technology is introduced into the tolling market
10 place in Texas, it satisfies the requirements for interoperability and compatibility with the HCTRA system.

11 **Agency Response.**

12 The department disagrees with the comment and declines to withdraw §217.61(b)(5). The
13 proposed language in §217.61(b)(5) only allows such agreement between a digital plate provider and a
14 toll entity as an option. Any such agreement is not required. The department has no regulatory authority
15 over the toll entities operating in Texas.

16 **Comment.**

17 A commenter requests that given increased frustration with toll billing errors, some consideration
18 should be given to customer service experience and resources, including call center and customer account
19 maintenance capabilities, with additional consideration given to the primary transponder used in a
20 particular region of the State. EZ TAG, issued by HCTRA, is the primary transponder used in the Harris
21 County region, while TollTAG, issued by the North Texas Tollway Authority ("NTTA") is the primary
22 transponder used in North Texas. Other regions of the State use TxTAGs issued by the Texas Department
23 of Transportation.

1 **Agency Response.**

2 The department disagrees with the comment and declines to make a change. The department
3 has no regulatory authority over the toll entities operating in Texas. Appropriate handling of these
4 concerns would be determined by agreement between the toll entity and any digital license plate
5 provider.

6 **Comment.**

7 A commenter suggests that the proposed rules address compliance with interoperability
8 protocols or requirements for maintaining valid electronic customer accounts such as, the Central United
9 States interoperability hub for the processing of toll transactions from toll agencies in Texas, Oklahoma
10 and Kansas based on specified interoperability protocols and requirements.

11 **Agency Response.**

12 The department disagrees with the comment and declines to make a change. The department
13 has no regulatory authority over the toll entities operating in Texas. This matter would be determined by
14 the agreement between the toll entity and any digital license plate provider.

15 **Comment.**

16 A commenter questions whether a proposed rule, at this time, is necessary to deal with
17 advancements in toll collection technology, as technology develops, the commenter thinks a better
18 approach would be for us to work directly with market innovators, including the digital license plate
19 vendor, to ensure that the proposed technology satisfies the requirements for interoperability and
20 compatibility with the HCTRA system.

21 **Agency Response.**

22 The department disagrees with the comment and declines to make a change. Because the
23 department has no regulatory authority over the toll entities operating in Texas this matter would be

1 determined by agreement between the toll entity and any digital license plate provider. Additionally,
2 proposed §217.61(b)(5) only allows such agreement between a digital plate provider and a toll entity as
3 an option. Any such agreement is not required. Under any agreement, specifics with regard to evolving
4 technology may be required.

5 **Comment.**

6 A commenter notes that it is unclear whether the digital license plate would come with a separate
7 transponder that would be affixed to the front windshield. If the digital license plate comes with a
8 separate transponder to affix on the front windshield, then the commenter questions whether there really
9 would be a public benefit or amenity that is not available with a metal plate.

10 **Agency Response.**

11 The department disagrees with the comment and declines to make a change. Transponder
12 technology would be determined by any optional agreement between the toll entity and a digital plate
13 provider.

14 **Comment.**

15 A commenter notes that it is unclear whether the digital license plate would be linked with an
16 electronic customer account with a valid method of payment and questions whether a digital license plate
17 provider would be able to satisfy the requirements of Senate Bill 198. Although Senate Bill 198 allows toll
18 agencies to contract with each other to allocate responsibilities for sending notices and taking other
19 actions required by the legislation, Senate Bill 198 does not authorize a toll agency to delegate
20 responsibilities to a private vendor.

21 **Agency Response.**

22 The department disagrees with the comment and declines to make a change. Because the
23 department has no regulatory authority over the toll entities operating in Texas, this matter would be

1 determined by agreement between the toll entity and any digital license plate provider. Furthermore, the
2 toll entity and digital license plate provider may work together to ensure that any agreement would
3 comply with all relevant Texas law.

4 **Comment.**

5 A commenter is concerned that rather than providing a public benefit that is no cost to local
6 government, digital license plates may make it easier for toll scofflaws to cheat the system resulting in an
7 increase in lost toll revenue, as well as an increase in collection costs.

8 **Agency Response.**

9 The department disagrees with the comment and declines to make a change. It is the
10 department's understanding that toll entities utilize front license plate readers in addition to rear license
11 plate readers. Vehicles that currently display two license plates will continue to have two plates and those
12 vehicles with a digital license plate will continue to display a metal plate on the front of the vehicle.

13 **§217.62(c)**

14 **Comment.**

15 A commenter notes that, specific to proposed §217.62(c), readability would be impossible if a
16 digital plate owner fails to pay fees owed to a digital plate provider for service, resulting in the disabling
17 of the digital plate.

18 **Agency Response.**

19 The department disagrees with the comment and declines to make a change. A digital license
20 plate that no longer displays registration information would cause readability issues; however, the digital
21 plate owner is required to replace the digital license plate with the metal license plate that they were
22 provided at time of registration issuance or renewal. Vehicles required to have two plates will continue to
23 display a metal plate on the front of the vehicle.

1 **Comment.**

2 A commenter requests that the following language be added as §217.62(c)(a)(2): "For each digital
3 license plate fee that is collected by a county assessor-collector and for which the department is allocated
4 a portion of the fee for administrative costs, the department shall credit \$2.30 dollars from its
5 administrative costs to the county treasurer of the applicable county, who shall credit the money to the
6 general fund of the county to defray the costs to the county of administering this chapter."

7 **Agency Response.**

8 The department disagrees with the comment and declines to make the suggested addition. The
9 \$95 administrative fee is not a plate fee but is intended to recoup the department's cost in implementing
10 the program. The \$0.50 county compensation from metal specialty license plates is to defray the cost to
11 the county of administering Transportation Code chapter 504, and the county will not perform extra
12 duties because the vehicle has a digital license plate. If the digital license plate provider has a licensing
13 agreement with a state specialty plate sponsor, then the county will retain the portion of the plate fee as
14 they do today under Transportation Code §504.008 for a metal specialty plate. Digital license plate
15 issuance will be handled by the department and any digital plate provider, and there will not be additional
16 work associated with processing renewal transactions of vehicles with a digital license plate.

17 **§217.63**

18 **Comment.**

19 A commenter asks if the digital license plate owner would pay the administrative fee to the county
20 tax assessor-collector when renewing their registration?

21 **Agency Response.**

22 The department agrees with the comment for any renewal done through the county tax assessor-
23 collector's office.

1 **Comment.**

2 A commenter asked whether the administrative fee would be on the "renewal form," and how
3 the county tax assessor-collector will be informed that the administrative fee needs to be collected apart
4 from it appearing in the Registration & Title System (RTS). The commenter also asked for clarification
5 regarding whether there will be an option to pay the administrative fee directly to the department and if
6 so, would the county tax accessor- collector be required to verify if the administration fee has been paid
7 timely?

8 **Agency Response.**

9 The department disagrees with the comment and declines to make a change. There is not a
10 registration renewal form. The administrative fee for a digital license plate will be line itemed on the
11 renewal notice if applicable. The county will know to collect the administrative fee for a digital plate
12 through RTS. For vehicles for which the department processes the registration or renewal, the customer
13 must pay the fee to the department. At the county, the fee will be collected through RTS so there will be
14 no need to verify collection of the administrative fee.

15 **§217.63(b)(1)**

16 **Comment.**

17 A commenter requests that the current county registration renewal fees be collected and credited
18 by each county and the current registration process remain the same for state, county and local fees while
19 the digital license plate provider collects their fees separately.

20 **Response.**

21 The department agrees with the comment. There is no change to how registration renewal fees,
22 including county and local fees, are collected and credited to each county. There is no change to the

1 registration renewal process under the proposed rules. The digital license plate provider(s) will collect
2 the fee for the digital license plate.

3 **§217.64**

4 **Comment.**

5 A commenter requests that the following language be added as §217.64(e) to align the process
6 with the metal specialty license plate process: (e) If the digital license plate is lost, stolen, mutilated, or
7 needs to be replaced, replacement plate may be obtained as indicated:

8 • The owner submits a written request to the county tax assessor-collector for replacement digital
9 license plate accompanied by a copy of the registration receipt.

10 The county tax assessor-collector will:

- 11 • order the replacement plates through the system,
12 • collect the \$6 replacement fee and the automation fee.
13 • After manufacture, the replacement digital plate is mailed directly to the customer.

14 **Agency Response.**

15 The department disagrees with the comment and declines to make the requested change because
16 the digital license plate provider will replace the digital license plate as appropriate for the customer.
17 Replacement of a digital license plate will be handled under contract between the department and any
18 digital license plate provider.

19 **STATUTORY AUTHORITY.** The amendments and new sections are adopted under Transportation Code,
20 §1002.001, which provides the board of the Texas Department of Motor Vehicles with the authority to
21 adopt rules that are necessary and appropriate to implement the powers and the duties of the
22 department; and more specifically, Transportation Code, §§504.151-504.157 which authorize digital

1 license plates while giving the department rulemaking authority to implement the statutory provisions
2 including setting specifications and requirements for digital plates and establishing a fee.

3 **CROSS REFERENCE TO STATUTE.** Transportation Code, §§504.151- 504.157 and §1002.001.

4 **TEXT.**

5 **Subchapter B. Vehicle Titles and Registration**

6 **43 TAC §§217.22, 217.27, 217.32, 217.38, 217.41, 217.55, and 217.58-64**

7 §217.22. Definitions.

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

10 (1) Affidavit for alias exempt registration--A form prescribed by the director that must be
11 executed by an exempt law enforcement agency to request the issuance of exempt registration in the
12 name of an alias.

13 (2) Agent--A duly authorized representative possessing legal capacity to act for an
14 individual or legal entity.

15 (3) Alias--The name of a vehicle registrant reflected on the registration, different than the
16 name of the legal owner of the vehicle.

17 (4) Alias exempt registration--Registration issued under an alias to a specific vehicle to be
18 used in covert criminal investigations by a law enforcement agency.

19 (5) Axle load--The total load transmitted to the road by all wheels whose centers may be
20 included between two parallel transverse vertical planes 40 inches apart, extending across the full width
21 of the vehicle.

22 (6) Border commercial zone--A commercial zone established under Title 49, C.F.R., Part
23 372 that is contiguous to the border with Mexico.

1 (7) Bus--A motor vehicle used to transport persons and designed to accommodate more
2 than 10 passengers, including the operator; or a motor vehicle, other than a taxicab, designed and used
3 to transport persons for compensation.

4 (8) Carrying capacity--The maximum safe load that a commercial vehicle may carry, as
5 determined by the manufacturer.

6 (9) Character--A numeric or alpha symbol displayed on a license plate.

7 (10) County or city civil defense agency--An agency authorized by a commissioner's court
8 order or by a city ordinance to provide protective measures and emergency relief activities in the event
9 of hostile attack, sabotage, or natural disaster.

10 (11) Digital license plate—As defined in Transportation Code, §504.151.

11 (12) Digital license plate owner--A digital license plate owner is a person who purchases
12 or leases a digital license plate from a department-approved digital license plate provider.

13 (13) [(11)] Director--The director of the Vehicle Titles and Registration Division, Texas
14 Department of Motor Vehicles.

15 (14) [(12)] Division--Vehicle Titles and Registration Division.

16 (15) [(13)] Executive administrator--The director of a federal agency, the director of a
17 Texas state agency, the sheriff of a Texas county, or the chief of police of a Texas city that by law possesses
18 the authority to conduct covert criminal investigations.

19 (16) [(14)] Exempt agency--A governmental body exempted by statute from paying
20 registration fees when registering motor vehicles.

21 (17) [(15)] Exempt license plates--Specially designated license plates issued to certain
22 vehicles owned or controlled by exempt agencies.

23 (18) [(16)] Exhibition vehicle--

- 1 (A) An assembled complete passenger car, truck, or motorcycle that:
- 2 (i) is a collector's item;
- 3 (ii) is used exclusively for exhibitions, club activities, parades, and other
4 functions of public interest;
- 5 (iii) does not carry advertising; and
- 6 (iv) has a frame, body, and motor that is at least 25-years old; or
- 7 (B) A former military vehicle as defined in Transportation Code, §504.502.
- 8 (19) [(17)] Fire-fighting equipment--Equipment mounted on fire-fighting vehicles used in
9 the process of fighting fires, including, but not limited to, ladders and hoses.
- 10 (20) [(18)] Foreign commercial motor vehicle--A commercial motor vehicle, as defined by
11 49 C.F.R. §390.5, that is owned by a person or entity that is domiciled in or a citizen of a country other
12 than the United States.
- 13 (21) GPS-- A global positioning system tracking device that can be used to determine the
14 location of a digital license plate through data collection by means of a receiver in a digital license plate.
- 15 (22) [(19)] Highway construction project--That section of the highway between the
16 warning signs giving notice of a construction area.
- 17 (23) [(20)] International symbol of access--The symbol adopted by Rehabilitation
18 International in 1969 at its Eleventh World Congress of Rehabilitation of the Disabled.
- 19 (24) [(21)] Legally blind--Having not more than 20/200 visual acuity in the better eye with
20 correcting lenses, or visual acuity greater than 20/200 but with a limitation in the field of vision such that
21 the widest diameter of the visual field subtends an angle no greater than 20 degrees.
- 22 (25) Legend--A name, motto, slogan, or registration expiration notification that is
23 centered horizontally at the bottom of the license plate.

1 (26) [(22)] Make--The trade name of the vehicle manufacturer.

2 (27) Metal license plate--A non-digital license plate issued by the department under
3 Transportation Code Chapter 502 or Chapter 504.

4 (28) [(23)] Nonprofit organization--An unincorporated association or society or a
5 corporation that is incorporated or holds a certificate of authority under the Business Organizations Code.

6 (29) [(24)] Nominating State Agency--A state agency authorized to accept and distribute
7 funds from the sale of a specialty plate as designated by the nonprofit organization (sponsoring entity).

8 (30) Optional digital license plate information--Any information authorized to be
9 displayed on a digital license plate in addition to required digital license plate information when the
10 vehicle is in park, including:

11 (A) an emergency alert or other public safety alert issued by a governmental
12 entity, including an alert authorized under Subchapter L, M, or P of Government Code Chapter 411;

13 (B) vehicle manufacturer safety recall notices;

14 (C) advertising; or

15 (D) a parking permit.

16 (31) Park--As defined in Transportation Code, §541.401.

17 (32) [(25)] Political subdivision--A county, municipality, local board, or other body of this
18 state having authority to provide a public service.

19 (33) Primary region of interest--The field on a metal or digital license plate with
20 alphanumeric characters representing the plate number. The primary region of interest encompasses a
21 field of 5.75 inches in width by 1.75 inches in height on metal license plates manufactured for motorcycles,
22 mopeds, golf carts, or off-highway vehicles. The primary region of interest encompasses a field of 8.375
23 inches in width by 2.5625 inches in height on metal license plates manufactured for all other vehicles.

1 (34) [(26)] Registration period--A designated period during which registration is valid. A
2 registration period begins on the first day of a calendar month and ends on the last day of a calendar
3 month.

4 (35) Required digital license plate information—The minimum information required to be
5 displayed on a digital license plate: the registration expiration month and year (unless the vehicle is a
6 token trailer as defined by Transportation Code, §502.001), the alphanumeric characters representing the
7 plate number, the word "Texas," the registration expiration notification if the registration for the vehicle
8 has expired; and the legend (if applicable).

9 (36) Secondary region of interest--The field on a metal or digital license plate with the
10 word "Texas" centered horizontally at the top of the plate. The secondary region of interest encompasses
11 a field of 2.5 inches in width by 0.5625 inches in height on metal license plates manufactured for
12 motorcycles, mopeds, golf carts, or off-highway vehicles. The secondary region of interest encompasses
13 a field of 6 inches in width by 1.9375 inches in height on metal license plates manufactured for all other
14 vehicles.

15 (37) [(27)] Service agreement--A contractual agreement that allows individuals or
16 businesses to access the department's vehicle registration records.

17 (38) [(28)] Specialty license plate--A special design license plate issued by the department
18 under SA.

19 (39) [(29)] Specialty license plate fee--Statutorily or department required fee payable on
20 submission of an application for a specialty license plate, symbol, tab, or other device, and collected in
21 addition to statutory motor vehicle registration fees.

22 (40) [(30)] Sponsoring entity--An institution, college, university, sports team, or any other
23 non-profit individual or group that desires to support a particular specialty license plate by coordinating

1 the collection and submission of the prescribed applications and associated license plate fees or deposits
2 for that particular license plate.

3 (41) ~~[(31)]~~ Street or suburban bus--A vehicle, other than a passenger car, used to transport
4 persons for compensation exclusively within the limits of a municipality or a suburban addition to a
5 municipality.

6 (42) ~~[(32)]~~ Tandem axle group--Two or more axles spaced 40 inches or more apart from
7 center to center having at least one common point of weight suspension.

8 (43) ~~[(33)]~~ Unconventional vehicle--A vehicle built entirely as machinery from the ground
9 up, that is permanently designed to perform a specific function, and is not designed to transport property.

10 (44) ~~[(34)]~~ Vehicle classification--The grouping of vehicles in categories for the purpose of
11 registration, based on design, carrying capacity, or use.

12 (45) ~~[(35)]~~ Vehicle description--Information regarding a specific vehicle, including, but not
13 limited to, the vehicle make, model year, body style, and vehicle identification number.

14 (46) ~~[(36)]~~ Vehicle identification number--A number assigned by the manufacturer of a
15 motor vehicle or the department that describes the motor vehicle for purposes of identification.

16 (47) ~~[(37)]~~ Vehicle inspection sticker--A sticker issued by the Texas Department of Public
17 Safety signifying that a vehicle has passed all applicable safety and emissions tests.

18 (48) ~~[(38)]~~ Vehicle registration insignia--A license plate, symbol, tab, or other device
19 issued by the department evidencing that all applicable fees have been paid for the current registration
20 period and allowing the vehicle to be operated on the public highways.

21 (49) ~~[(39)]~~ Vehicle registration record--Information contained in the department's files
22 that reflects, but is not limited to, the make, vehicle identification number, model year, body style, license
23 number, and the name of the registered owner.

1 (50) [(40)] Volunteer fire department--An association that is organized for the purpose of
2 answering fire alarms, extinguishing fires, and providing emergency medical services.

3

4 §217.27. Vehicle Registration Insignia.

5 (a) On receipt of a complete initial application for registration with the accompanying documents
6 and fees, the department will issue vehicle registration insignia to be displayed on or kept in the vehicle
7 for which the registration was issued for the current registration period.

8 (1) If the vehicle has a windshield, the symbol, tab, or other device prescribed by and
9 issued by the department shall be attached to the inside lower left corner of the vehicle's front windshield
10 in a manner that will not obstruct the vision of the driver, unless the vehicle is registered under
11 Transportation Code, Chapter 504, Subchapter B-1.

12 (2) If the vehicle has no windshield, the symbol, tab, or other device prescribed by and
13 issued by the department shall be attached to the rear license plate unless the vehicle is registered under
14 Transportation Code, Chapter 504, Subchapter B-1, except that registration receipts, retained inside the
15 vehicle, may provide the record of registration for vehicles with permanent trailer plates.

16 (3) If the vehicle is registered under Transportation Code, Chapter 504, Subchapter B-1,
17 the registration receipt, symbol, tab, or other device prescribed by and issued by the department must be
18 retained with the vehicle and may provide the record of registration for vehicles with a digital license
19 plate. The expiration month and year must appear digitally on the electronic visual display of the rear
20 digital license plate.

21 (4) [(3)] If the vehicle is registered as a former military vehicle as prescribed by
22 Transportation Code, §504.502, the vehicle's registration number shall be displayed instead of displaying
23 a symbol, tab, or license plate.

1 (A) Former military vehicle registration numbers shall be displayed on a
2 prominent location on the vehicle in numbers and letters of at least two inches in height.

3 (B) To the extent possible, the location and design of the former military vehicle
4 registration number must conform to the vehicle's original military registration number.

5 (b) Unless otherwise prescribed by law, each vehicle registered under this subchapter:

6 (1) must display two license plates that are clearly visible, readable, and legible, one at
7 the exterior front and one at the exterior rear of the vehicle that are securely fastened at the exterior
8 front and rear of the vehicle in an upright [a] horizontal position of not less than 12 inches from the
9 ground, measuring from the bottom, except that a vehicle described by Transportation Code, §621.2061
10 may place the rear plate so that it is clearly visible, readable, and legible; or

11 (2) must display one plate that is securely fastened at or as close as practical to the
12 exterior rear of the vehicle in a position not less than 12 inches from the ground, measuring from the
13 bottom if the vehicle is a road tractor, motorcycle, trailer or semitrailer.

14 (c) Each vehicle registered under this subchapter must display license plates:

15 (1) assigned by the department for the period; or

16 (2) validated by a registration insignia issued by the department for a registration period
17 consisting of 12 consecutive months at the time of application for registration, except that:

18 (A) trailers, semitrailers, or pole trailers not subject to inspection under
19 §548.052(3) may obtain a registration insignia for a period consisting of 12, 24, 36, 48 or 60 consecutive
20 months on payment of all fees for each full year of registration; and

21 (B) vehicles may be registered for 24 consecutive months in accordance with
22 Transportation Code, §548.102 on payment of all fees for each year of registration, regardless of the
23 number of months remaining on the inspection at the time of registration, provided:

1 (i) the vehicle receives a two-year inspection under Transportation Code,
2 §548.102; and

3 (ii) the application for registration is made in the name of the purchaser
4 under Transportation Code, §501.0234.

5 (d) The department may cancel any personalized alpha-numeric pattern that was issued if the
6 department subsequently determines or discovers that the personalized license plate was not in
7 compliance with these guidelines when issued, or if due to changing language usage, meaning or
8 interpretation, the personalized license plate has become non-compliant with these guidelines. When
9 reviewing a personalized alpha-numeric pattern, the department need not consider the applicant's
10 subjective intent or declared meaning. The department will not issue any license plate containing an
11 alpha-numeric pattern that meets one or more of the following criteria.

12 (1) The alpha-numeric pattern conflicts with the department's current or proposed
13 regular license plate numbering system.

14 (2) The director of the department's Vehicle Titles and Registration Division or the
15 director's designee finds that the personalized alpha-numeric pattern, including plate patterns that
16 feature foreign or slang words or phrases, use phonetic, numeric or reverse spelling, acronyms, patterns
17 viewed in mirror image, or use a code which only a small segment of the community may be able to readily
18 decipher, that may be considered objectionable or misleading, including that the pattern may be viewed
19 as, directly or indirectly:

20 (A) indecent (defined as including a reference or connotation to a sexual act,
21 sexual body parts, excrement, or bodily fluids or functions. Additionally, "69" formats are prohibited
22 unless used in combination with the vehicle make, for example, "69 CHEV".);

23 (B) a vulgarity (defined as profane, swear, or curse words);

1 (C) derogatory (defined as an expression that is demeaning to, belittles, or
2 disparages any person, group, race, ethnicity, nationality, gender, sexual orientation, or refers to an
3 organization that advocates such expressions);

4 (D) a reference to race, ethnicity, gender or sexual orientation whether the
5 reference is derogatory or not;

6 (E) a reference to gangs, illegal activities, violence, implied threats of harm, or
7 expressions that describe, advertise, advocate, promote, encourage, glorify, or condone violence, crime
8 or unlawful conduct;

9 (F) a reference to illegal drugs, controlled substances, the physiological state
10 produced by such substances, intoxicated states, or references that may express, describe, advertise,
11 advocate, promote, encourage, glorify such items or states;

12 (G) a representation of, or reference to, law enforcement, military branches, or
13 other governmental entities and their titles, including any reference to public office or position, military
14 or law enforcement rank or status, or any other official government position or status; or

15 (H) deceptively similar to a military, restricted distribution, or other specialty
16 plate.

17 (3) The alpha-numeric pattern is currently issued to another owner.

18 (4) Notwithstanding the limitations on issuance of plate patterns in this subsection, the
19 department may issue patterns that refer to publicly and privately funded institutions of higher education,
20 including military academies, whether funded by state or federal sources, or both.

21 (e) A decision to cancel or not issue a personalized alpha-numeric pattern under subsection (d) of
22 this section may be appealed to the executive director of the department or the executive director's
23 designee within 20 days of notification of the cancellation or non-issuance. All appeals must be in writing

1 and the requesting party may include any written arguments, but shall not be entitled to a contested case
2 hearing. The executive director or the executive director's designee will consider the requesting party's
3 arguments and issue a decision no later than 30 days after the submission of the appeal, unless additional
4 information is sought from the requestor, in which case the time for decision is tolled until the additional
5 information is provided. The decision of the executive director or the executive director's designee is final
6 and may not be appealed. An appeal is denied by operation of law 31 days from the submission of the
7 appeal, or if the requestor does not provide additional requested information within ten days of the
8 request.

9 (f) The provisions of subsection (a) of this section do not apply to vehicles registered with annual
10 license plates issued by the department.

11 (g) A person whose initial application has been denied may either receive a refund or select a new
12 alpha-numeric pattern. If an existing personalized alpha-numeric pattern has been cancelled, the person
13 may choose a new personalized alpha-numeric pattern which will be valid for the remainder of the term
14 or will forfeit the remaining term purchased.

15
16 §217.32. Replacement of License Plates, Symbols, Tabs, and Other Devices.

17 (a) When a metal license plate, symbol, tab, or other registration device is lost, stolen, mutilated,
18 or needs to be replaced for cosmetic or readability reasons, a metal license plate replacement may be
19 obtained from any county tax assessor-collector upon:

20 (1) the payment of the statutory replacement fee prescribed by Transportation Code,
21 §502.060 or §504.007; and

22 (2) the provision of a signed statement, on a form prescribed by the department, that
23 states:

1 (A) the license plate, symbol, tab, or other registration device furnished for the
2 described vehicle has been lost, stolen, mutilated, or needs to be replaced for cosmetic or readability
3 reasons, and if recovered, will not be used on any other vehicle; and

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

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

9
10 §217.38. Registration Fee Credit: Application.

11 An application for registration fee credit must be accompanied by:

- 12 (1) the current metal license plate(s) and license receipt issued for the destroyed vehicle;
13 (2) the negotiable certificate of title covering the destroyed vehicle; and
14 (3) evidence that the vehicle has been destroyed to such an extent that it cannot
15 thereafter be operated on the highways.

16
17 §217.41. Disabled Person License Plates and Identification Placards.

18 (a) Purpose. Transportation Code, Chapters 504 and 681, charge the department with the
19 responsibility for issuing specially designed license plates and identification placards for disabled persons.
20 For the department to perform these duties efficiently and effectively, this section prescribes the policies
21 and procedures for the application, issuance, and renewal of Disabled Person license plates and placards.

22 (b) Issuance.

- 23 (1) Disabled Person license plates.

1 (A) Eligibility. In accordance with Transportation Code, §504.201, the department
2 will issue specially designed license plates displaying the international symbol of access to permanently
3 disabled persons or their transporters instead of regular motor vehicle license plates.

4 (B) Specialty license plates. The department will issue Disabled Person insignia on
5 those specialty license plates that can accommodate the identifying insignia and that are issued in
6 accordance with §217.45 of this title (relating to Specialty License Plates, Symbols, Tabs, and Other
7 Devices).

8 (C) License plate number. Disabled Person license plates will bear a license plate
9 number assigned by the department or will bear a personalized license plate number issued in accordance
10 with §217.45.

11 (2) Windshield identification placards. The department will issue removable windshield
12 identification placards to temporarily or permanently disabled persons and to the transporters of
13 permanently disabled persons. A person who has been issued a windshield identification placard shall
14 hang the placard from a vehicle's rearview mirror when the vehicle is parked in a disabled person parking
15 space or shall display the placard on the center portion of the dashboard if the vehicle does not have a
16 rearview mirror.

17 (c) Renewal of Disabled Person license plates. Disabled Person license plates are valid for a period
18 of 12 months from the date of issuance, and are renewable as specified in §217.28 of this title (relating to
19 Vehicle Registration Renewal).

20 (d) Replacement.

21 (1) License plates. If a Disabled Person metal license plate ~~is~~ ~~[plates are]~~ lost, stolen, or
22 mutilated, the owner may obtain a replacement metal license plate ~~[plates]~~ by applying with a county tax
23 assessor-collector.

1 (A) Accompanying documentation. To replace permanently Disabled Person
2 metal license plates, the owner must present the current year's registration receipt and personal
3 identification acceptable to the county tax assessor-collector.

4 (B) Absence of accompanying documentation. If the current year's registration
5 receipt is not available and the county cannot verify that the Disabled Person metal license plates were
6 issued to the owner, the owner must reapply in accordance with this section.

7 (2) Disabled Person identification placards. If a Disabled Person identification placard
8 becomes lost, stolen, or mutilated, the owner may obtain a new identification placard in accordance with
9 this section.

10 (e) Transfer of Disabled Person license plates and identification placards.

11 (1) License plates.

12 (A) Transfer between persons. Disabled Person license plates may not be
13 transferred between persons. An owner who sells or trades a vehicle to which Disabled Person license
14 plates have been issued shall remove the Disabled Person license plates from the vehicle. The owner shall
15 return the license plates to the department and shall obtain appropriate replacement license plates to
16 place on the vehicle prior to any transfer of ownership.

17 (B) Transfer between vehicles. Disabled Person license plates may be transferred
18 between vehicles if the county or the department can verify the plate ownership and the owner of the
19 vehicle is the disabled person or the vehicle is used to transport the disabled person.

20 (i) Plate ownership verification may include:

21 (I) a Registration and Title System (RTS) inquiry;

22 (II) a copy of the department Application for Disabled Person
23 license plates; or

1 (III) the owner's current registration receipt.

2 (ii) An owner who sells or trades a vehicle with Disabled Person license
3 plates must remove the plates from the vehicle.

4 (2) Identification placards.

5 (A) Transfer between vehicles. Disabled Person identification placards may be
6 displayed in any vehicle driven by the disabled person or in which the disabled person is a passenger.

7 (B) Transfer between persons. Disabled Person identification placards may not be
8 transferred between persons.

9 (f) Seizure and revocation of placard.

10 (1) If a law enforcement officer seizes and destroys a placard under Transportation Code,
11 §681.012, the officer shall notify the department by email.

12 (2) The person to whom the seized placard was issued may apply for a new placard by
13 submitting an application to the county tax assessor-collector of the county in which the person with the
14 disability resides or in which the applicant is seeking medical treatment.

15
16 §217.55. Exempt and Alias Vehicle Registration.

17 (a) Exempt plate registration.

18 (1) Issuance. Pursuant to Transportation Code, §502.453 or §502.456, certain vehicles
19 owned by and used exclusively in the service of a governmental agency, owned by a commercial
20 transportation company and used exclusively for public school transportation services, designed and used
21 for fire-fighting or owned by a volunteer fire department and used in the conduct of department business,
22 privately owned and used in volunteer county marine law enforcement activities, used by law
23 enforcement under an alias for covert criminal investigations, owned by units of the United States Coast

1 Guard Auxiliary headquartered in Texas and used exclusively for conduct of United States Coast Guard or
2 Coast Guard Auxiliary business and operations, or owned or leased by a non-profit emergency medical
3 service provider is exempt from payment of a registration fee and is eligible for exempt plates.

4 (2) Application for exempt registration.

5 (A) Application. An application for exempt plates shall be made to the county tax
6 assessor-collector, shall be made on a form prescribed by the department, and shall contain the following
7 information:

8 (i) vehicle description;

9 (ii) name of the exempt agency;

10 (iii) an affidavit executed by an authorized person stating that the vehicle
11 is owned or under the control of and will be operated by the exempt agency; and

12 (iv) a certification that each vehicle listed on the application has the name
13 of the exempt agency printed on each side of the vehicle in letters that are at least two inches high or in
14 an emblem that is at least 100 square inches in size and of a color sufficiently different from the body of
15 the vehicle as to be clearly legible from a distance of 100 feet.

16 (B) Emergency medical service vehicle.

17 (i) The application for exempt registration must contain the vehicle
18 description, the name of the emergency medical service provider, and a statement signed by an officer of
19 the emergency medical service provider stating that the vehicle is used exclusively as an emergency
20 response vehicle and qualifies for registration under Transportation Code, §502.456.

21 (ii) A copy of an emergency medical service provider license issued by the
22 Department of State Health Services must accompany the application.

1 (C) Fire-fighting vehicle. The application for exempt registration of a fire-fighting
2 vehicle or vehicle owned privately by a volunteer fire department and used exclusively in the conduct of
3 department business must contain the vehicle description, including a description of any fire-fighting
4 equipment mounted on the vehicle if the vehicle is a fire-fighting vehicle. The affidavit must be executed
5 by the person who has the proper authority and shall state either:

6 (i) the vehicle is designed and used exclusively for fire-fighting; or

7 (ii) the vehicle is owned by a volunteer fire department and is used
8 exclusively in the conduct of its business.

9 (D) County marine law enforcement vehicle. The application for exempt
10 registration of a privately owned vehicle used by a volunteer exclusively in county marine law
11 enforcement activities, including rescue operations, under the direction of the sheriff's department must
12 include a statement signed by a person having the authority to act for a sheriff's department verifying
13 that fact.

14 (E) United States Coast Guard Auxiliary vehicle. The application for exempt
15 registration of a vehicle owned by units of the United States Coast Guard Auxiliary headquartered in Texas
16 and used exclusively for conduct of United States Coast Guard or Coast Guard Auxiliary business and
17 operation, including search and rescue, emergency communications, and disaster operations, must
18 include a statement by a person having authority to act for the United States Coast Guard Auxiliary that
19 the vehicle or trailer is used exclusively in fulfillment of an authorized mission of the United States Coast
20 Guard or Coast Guard Auxiliary, including search and rescue, emergency communications, or disaster
21 operations.

22 (3) Exception. A vehicle may be exempt from payment of a registration fee, but display
23 license plates other than exempt plates if the vehicle is not registered under subsection (b) of this section.

1 (A) If the applicant is a law enforcement office, the applicant must present a
2 certification that each vehicle listed on the application will be dedicated to law enforcement activities.

3 (B) If the applicant is exempt from the inscription requirements under
4 Transportation Code, §721.003, the applicant must present a certification that each vehicle listed on the
5 application is exempt from inscription requirements under Transportation Code, §721.003. The applicant
6 must also provide a citation to the section that exempts the vehicle.

7 (C) If the applicant is exempt from the inscription requirements under
8 Transportation Code, §721.005 the applicant must present a certification that each vehicle listed on the
9 application is exempt from inscription requirements under Transportation Code, §721.005. The applicant
10 must also provide a copy of the order or ordinance that exempts the vehicle.

11 (D) If the applicant is exempt from the inscription requirements under Education
12 Code, §51.932, the applicant must present a certification that each vehicle listed on the application is
13 exempt from the inscription requirements under Education Code, §51.932. Exempt plates will be marked
14 with the replacement year.

15 (b) Affidavit for issuance of exempt registration under an alias.

16 (1) On receipt of an affidavit for alias exempt registration, approved by the executive
17 administrator of an exempt law enforcement agency, the department will issue alias exempt license plates
18 for a vehicle and register the vehicle under an alias for the law enforcement agency's use in covert criminal
19 investigations.

20 (2) The affidavit for alias exempt registration must be in a form prescribed by the director
21 and must include the vehicle description, a sworn statement that the vehicle will be used in covert criminal
22 investigations, and the signature of the executive administrator or the executive administrator's designee

1 as provided in paragraph (3) of this subsection. The vehicle registration insignia of any vehicles no longer
2 used in covert criminal investigations shall be surrendered immediately to the department.

3 (3) The executive administrator, by annually filing an authorization with the director, may
4 appoint a staff designee to execute the affidavit. A new authorization must be filed when a new executive
5 administrator takes office.

6 (4) The letter of authorization must contain a sworn statement delegating the authority
7 to sign the affidavit to a designee, the name of the designee, and the name and the signature of the
8 executive administrator.

9 (5) The affidavit for alias exempt registration must be accompanied by a title application
10 under §217.103 of this title (relating to Restitution Liens). The application must contain the information
11 required by the department to create the alias record of vehicle registration and title.

12 (c) Replacement of exempt registration.

13 (1) If an exempt metal license plate is lost, stolen, or mutilated, a properly executed
14 application for exempt metal license plates must be submitted to the county tax assessor-collector.

15 (2) An application for replacement exempt metal license plates must contain the vehicle
16 description, original license number, and the sworn statement that the license plates furnished for the
17 vehicle have been lost, stolen, or mutilated and will not be used on any other vehicle.

18 (d) Title requirements. Unless exempted by statute, a vehicle must be titled at the time the
19 exempt registration is issued.

20

21 §217.58. Digital License Plate Eligibility.

22 (a) Vehicles eligible for a digital license plate. The following vehicles are eligible for a digital license
23 plate, subject to the exceptions in subsection (b) of this section:

1 (1) any vehicle owned or operated by a governmental entity; or

2 (2) a vehicle owned or operated by a person other than a governmental entity if the

3 vehicle is:

4 (A) part of a commercial fleet, as defined by Transportation Code, §502.001; or

5 (B) a truck, motorcycle, moped, trailer, semitrailer, sport utility vehicle, or other

6 vehicle that is required to be registered under Transportation Code, Chapter 502.

7 (b) Vehicles not eligible for a digital license plate.

8 (1) Notwithstanding subsection (a) of this section, a vehicle is not eligible for a digital
9 license plate if the vehicle is not required to display a license plate on the rear of the vehicle, including:

10 (A) truck-tractors; or

11 (B) trucks with combination registration under Transportation Code, §502.255.

12 (2) Notwithstanding subsection (a)(2)(B) of this section, a vehicle registered as a
13 passenger vehicle is not eligible for a digital license plate.

14 (c) Requirements for Eligibility Verification and Issuance of Digital Plates.

15 (1) An applicant for a digital license plate may not obtain a digital license plate from a
16 digital license plate provider if the vehicle for which a digital license plate is being sought is not registered.

17 The individual must first submit a complete initial application for registration and the accompanying
18 documents and fees at the county tax assessor-collector's office, or at the department for vehicles that

19 must be registered directly through the department under this chapter. After receipt of the necessary
20 documentation and fees, the department will issue one or two metal license plates, in accordance with

21 this chapter, to the applicant for the digital license plate, depending on the type of vehicle. After the
22 department issues the metal license plate or plates to the applicant, the applicant may then proceed with

23 obtaining a digital license plate from a digital license plate provider.

1 (2) A digital license plate provider must obtain the following information from a digital
2 license plate applicant before it verifies the vehicle's eligibility for a digital license plate:

3 (A) the last four digits of the vehicle identification number; and

4 (B) the existing metal license plate number.

5 (3) A digital license plate provider may not issue a digital license plate for a vehicle that
6 has not been issued Texas registration in the name of the applicant for the digital license plate.

7 (4) Any metal license plate issued for the rear of the vehicle and any associated plate
8 sticker issued for a rear metal license plate must be carried in or on the vehicle at all times when using a
9 digital license plate.

10
11 §217.59. Digital License Plate Testing.

12 Before the initial deployment of a digital license plate model and for each subsequent hardware
13 upgrade, which includes all physical aspects of the digital license plate except for the mounting bracket, a
14 digital license plate provider must provide the department with documentation sufficient for the
15 department to be assured that the digital license plate model for which approval is sought was tested in
16 a manner set forth by the department. The documentation must include a description of the testing
17 protocols and methods. Digital license plate testing must be conducted by governmental entities,
18 universities, or independent nonprofit research and development organizations. Testing must include:

19 (1) reflectivity testing with results demonstrating that the digital license plates are
20 manufactured utilizing reflectorized material as required by Transportation Code, §504.005, and are
21 reflective in daytime, as defined in Transportation Code, §541.401 and nighttime, as defined in
22 Transportation Code, §541.401 with the use of low beam headlights, at a distance of no less than 75 feet.

1 Reflectivity testing with results demonstrating that the digital license plates perform consistently with the
2 International Organization for Standardization ISO 7591, clauses 6 and 7 is preferred;

3 (2) legibility and readability testing with results demonstrating that digital license plates
4 are legible in daytime, as defined in Transportation Code, §541.401 and nighttime, as defined in
5 Transportation Code, §541.401, using low beam headlights, under optimal conditions at a distance of no
6 less than 75 feet; and are readable with commercially-available automated license plate readers and in a
7 variety of weather conditions; and

8 (3) commercially-available penetration testing, as approved by the department, for the
9 protection of the digital license plate, the electronic display information, and the digital license plate
10 provider's systems. In addition to testing before initial approval and each subsequent hardware upgrade,
11 testing described in this paragraph must be completed for each software or firmware upgrade.

12
13 §217.60. Digital License Plate Specifications and Requirements.

14 (a) In addition to ensuring that the digital license plate meets or exceeds the benefits for law
15 enforcement that are provided by metal license plates, a digital license plate provider must ensure that
16 digital license plates submitted for department approval and provided for customer use comply with the
17 following requirements:

18 (1) provide an electronic visual display resistant to breakage, and in cases when the
19 electronic visual display is scratched, chipped, cracked, or weather damaged, a digital license plate must
20 continue to legibly display digital license plate information and the physical security feature defined in
21 paragraph (2) of this subsection;

22 (2) include one or more physical security features to verify the plate was issued by an
23 approved digital license plate provider;

1 (3) continue to display digital license plate information when the digital license plate does
2 not maintain connectivity to a wireless network; and

3 (4) when the vehicle is not in park:

4 (A) display required digital license plate information on the plate in the same font
5 size and location as the information displayed on a corresponding metal license plate; and

6 (B) display the registration expiration month and year, as determined by the
7 department, in the same font size and location as displayed on a corresponding metal license plate when
8 a vehicle does not have a windshield.

9 (b) Placement of license plate and vehicle registration insignia.

10 (1) The digital license plate must be attached to the exterior rear of the vehicle.

11 (2) A metal license plate must be attached to the exterior front of the vehicle in
12 compliance with this chapter, unless the vehicle is not required to display a plate on the front of the
13 vehicle under this chapter.

14 (3) The vehicle's registration insignia for validation of registration must be displayed on
15 or kept in a vehicle in accordance with §217.27 of this title (relating to Vehicle Registration Insignia).

16
17 §217.61. Digital License Plate Designs and Displays.

18 (a) Digital license plate designs.

19 (1) A digital license plate provider is prohibited from designing or creating specialty license
20 plates under Transportation Code Chapter 504, unless the provider has a contract with the department
21 under Transportation Code, §504.851.

1 (2) A digital license plate provider must enter into a licensing agreement, with standard
2 language as approved by the department, for the display of any third party's intellectual property on a
3 digital license plate.

4 (b) Digital license plate displays.

5 (1) Electronic information to be displayed on a digital license plate, including the content
6 and design of both required and optional digital license plate information, must be approved by the
7 department. A digital license plate may not be personalized or customized in any region of interest,
8 including the legend area, except as provided by the department under this chapter.

9 (2) Optional digital license plate information when in park. When the vehicle is in park,
10 optional digital license plate information may include any of the following optional digital license plate
11 information as approved by the department and the digital license plate owner:

12 (A) an emergency alert or other public safety alert issued by a governmental
13 entity, including an alert authorized under Subchapter L, M, or P of Government Code Chapter 411;

14 (B) vehicle manufacturer safety recall notices;

15 (C) advertising; or

16 (D) a parking permit pursuant to an agreement between a digital license plate
17 provider and the entity that issues the parking permit.

18 (3) When the vehicle is in park, required digital license plate information may be reduced
19 in size but must be in a field no smaller than 4.5 inches by 2.5 inches in the upper right-hand corner. The
20 alphanumeric characters and any symbols in the reduced field must be black. The background in the
21 reduced field must be white. There must be two adjoining borders outlining the field. The inside border
22 must be black and the outside border must be white.

1 (4) If more than one category of optional digital information in subsection (b)(2) of this
2 subsection could be displayed at one time, the department may determine the order of display on the
3 digital license plate.

4 (5) A digital license plate may be authorized for electronic toll collection with approval
5 from, and agreement between, a digital license plate provider and the appropriate toll entity.

6 (c) Registration Expiration Notification.

7 (1) Digital license plate providers must display the word "EXPIRED" as approved by the
8 department on a digital license plate if registration has expired.

9 (2) If a digital license plate is displaying a registration expiration notification, the
10 registration notification and optional digital license plate information may not encroach upon the primary
11 or secondary regions of interest.

12 (3) Unless otherwise prescribed by this chapter, the digital license plate provider must not
13 remove an expired registration notification until after the department confirms registration is current.

14 (d) Owner authorizations.

15 (1) The digital license plate provider may not display optional digital license plate
16 information on a digital license plate unless the digital license plate owner authorizes the display.

17 (2) The digital license plate provider may not disclose GPS data to any person unless the
18 digital license plate owner authorizes its disclosure or the disclosure of the GPS data is required or
19 permitted under other law.

20 (3) The digital license plate provider must disclose to potential and current digital license
21 plate owners how GPS data authorized for disclosure by the owner or by law will be used and to whom it
22 will be disclosed.

1 (4) The digital license plate provider may not require the owner to authorize the display
2 or disclosure under paragraphs (1) or (2) of this subsection as a condition of purchase or lease of a digital
3 license plate.

4 (5) The digital license plate provider must immediately discontinue the display of optional
5 digital license plate information if the digital license plate owner requests for the display of the optional
6 digital license plate information to be discontinued.

7 (6) The digital license plate provider must provide a single mechanism (or method or
8 means) by which the digital license plate owner may opt in or opt out of the display of optional digital
9 license plate information.

10
11 §217.62. Digital license plate removal and malfunction.

12 (a) A digital license plate provider must have a mechanism to prevent potential theft of and
13 tampering with the digital license plate. At a minimum, a digital license plate provider must ensure the
14 digital license plate ceases the display of digital license plate information:

15 (1) when a digital license plate malfunctions or upon termination of services between a
16 digital license plate provider and owner; or

17 (2) if a digital license plate provider determines that the digital license plate has been
18 compromised, tampered with, or fails to maintain integrity of registration data.

19 (b) Digital license plate providers must immediately notify the department in the following circumstances:

20 (1) commencement of services by the digital license plate provider;

21 (2) termination of services by the digital license plate provider;

22 (3) determination that the digital license plate has been compromised; or

23 (4) the transfer of a digital license plate to a different owner.

1 (c) The digital license plate provider is authorized to disable the display of a digital license plate
2 for failure of the digital license plate owner to pay the fees due to the digital license plate provider.

3

4 §217.63. Digital License Plate Fees and Payment.

5 (a) Fees.

6 (1) A person issued a digital license plate must pay an administrative fee of \$95.00 to the
7 digital license plate provider upon initial application for a digital license plate, and to the county tax-
8 assessor collector or the department, as applicable, on renewal of registration for a vehicle with a digital
9 license plate.

10 (2) The expiration date of the digital license plate will be aligned with the registration
11 period and the administrative fee due under subsection (a) of this section will be adjusted to yield the
12 appropriate fee.

13 (3) A digital license plate administrative fee will be refunded only when registration fees
14 are overcharged under Transportation Code, §502. 195.

15 (b) Payment.

16 (1) All state, county, local, and other applicable fees are due at the time of registration of
17 a vehicle with a digital license plate.

18 (2) Digital license plate providers that have received the administrative fee under
19 subsection (a) of this section must submit payment of the administrative fee due in full to the department
20 upon receipt of an application for a digital license plate.

21

22 §217.64. Digital License Plate Provider Services and Replacement.

23 (a) Digital license plate provider services.

