

1 overseen through department management and the Internal Audit Division. The external system is
2 overseen through the department's Compliance and Investigations Division. Each system rule is placed in
3 its appropriate chapter based on its focus.

4 Section 206.151 outlines the program generally, to allow flexibility for change over time and
5 because detailed disclosure of the means and methods that the department's system could be used to
6 evade the monitoring. The monitoring system does not add additional requirements or costs on any
7 regulated person.

8 **SUMMARY OF COMMENTS.**

9 The department received no written comments on the proposed text.

10 **STATUTORY AUTHORITY.** The department adopts new section to §206.151 under Transportation Code
11 §§520.003, 520.004, and 1002.001.

12 Transportation Code §520.003 authorizes the department to adopt rules to administer
13 Transportation Code Chapter 520.

14 Transportation Code §520.004 requires the department to establish by rule a risk-based system
15 of monitoring and preventing fraudulent activity related to vehicle registration and titling in order to
16 efficiently allocate resources and personnel.

17 Transportation Code §1002.001, authorizes the board to adopt rules that are necessary and
18 appropriate to implement the powers and the duties of the department.

19 **CROSS REFERENCE TO STATUTE.** Transportation Code §520.004.

20 **TEXT.**

21 **SUBCHAPTER H. RISK-BASED MONITORING AND PREVENTING FRAUDULENT ACTIVITY**

22 **43 TAC §206.151**

23 **§206.151. Internal Risk-Based Monitoring System.**

