



Texas Department *of* Motor Vehicles
HELPING TEXANS GO. HELPING TEXAS GROW.

Motor Vehicle Industry Regulation Advisory Committee

1:00 P.M.
Wednesday, March 6, 2024

Contents

These proposed rules are the product of the department’s review of 43 Texas Administrative Code (TAC) Chapters 215, 217 and 221. The current text of those chapters is available [here](#).

The following denotes new language and ~~[repealed or amended language]~~.

In Chapters 215 and 221, only the highlighted language reflects the draft changes to implement HB 718 and HB 3297 that the department plans to propose at the June 2024 board meeting. The other unhighlighted amendments reflect the rule changes the TxDMV Board voted to propose at the December 2023 meeting and included here only for context.

In Chapter 217, the highlighted language reflects the draft changes to implement HB 718 and HB 3297, while the other unhighlighted amendments reflect draft rule revisions identified by staff as part of a rule review of Chapter 217. The department plans to propose all of these draft amendments to Chapter 217 at the June 2024 board meeting.

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AGENDA
MOTOR VEHICLE INDUSTRY REGULATION ADVISORY COMMITTEE MEETING
TEXAS DEPARTMENT OF MOTOR VEHICLES
4000 JACKSON AVE., BUILDING 1, LONE STAR CONFERENCE ROOM
AUSTIN, TEXAS 78731
OPEN MEETING VIA
TELECONFERENCE CALL
PURSUANT TO GOVERNMENT CODE, §551.125
WEDNESDAY, MARCH 6, 2024
1:00 P.M.

THIS MEETING WILL BE HELD REMOTELY VIA TELECONFERENCE CALL

The physical location of the meeting will be the Lone Star Conference Room of Building 1, 4000 Jackson Avenue, Austin, Texas 78731, where the teleconference call will be audible to the public.

Teleconference Instructions:

Attendee Join Link:

<https://texasdmv.webex.com/texasdmv/j.php?MTID=m6b21d3e946cfc938d745a294f18a1c56>

Webinar number:

2630 055 0765

Webinar password:

MVIRAC (684722 from phones and video systems)

Phone number for accessing the meeting via phone:

United States Toll Free: 1-650-479-3208 United States Toll

Access code: 263 005 50765

Link to March 6, 2024, TxDMV Motor Vehicle Industry and Regulation Advisory Committee Meeting Documents: <https://www.txdmv.gov/about-us/txdmv-board-meetings>

All agenda items are subject to possible discussion, questions, consideration, and action by the Motor Vehicle Industry Regulation Advisory Committee of the Texas Department of Motor Vehicles (Advisory Committee). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of consideration by the Advisory Committee. A quorum of the Board of the Texas Department of Motor Vehicles (board) may be present at this meeting for information-gathering purposes and discussion. However, board members will not vote on any Advisory Committee agenda items, nor will any board action be taken.

1. CALL TO ORDER

A. Roll Call and Establishment of Quorum

2. DISCUSSION, BRIEFING, AND ACTION ITEMS

- A. Consider Rule Amendments to 43 TAC Chapter 217, Vehicle Titles and Registration, Chapter 215, Motor Vehicle Distribution, and Chapter 221, Salvage Vehicle Dealers, Necessary to Implement House Bills 718 and 3297 (88th Texas Legislature, Regular Session), and for a Rule Review of 43 Texas Administrative Code (TAC), Chapter 217, Vehicle Titles and Registration - TxDMV Staff (BRIEFING AND DISCUSSION ONLY)
- B. Recommendations of Advisory Committee on Amendments to 43 TAC Chapter 217, Vehicle Titles and Registration, Chapter 215, Motor Vehicle Distribution, and Chapter 221, Salvage Vehicle Dealers Necessary to Implement House Bills 718 and 3297 (88th Texas Legislature, Regular Session), and for a Rule Review of 43 Texas Administrative Code (TAC), Chapter 217, Vehicle Titles and Registration; for Presentation to the Board - Presiding Officer (DISCUSSION AND ACTION ITEM)

3. PUBLIC COMMENT

4. ADJOURNMENT

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

Public comment on any agenda item (including an open comment under the agenda item for Public Comment) will only be accepted as follows: 1) in person at the Advisory Committee meeting; or 2) by written comment submitted to GCO_General@txdmv.gov.

If you want to comment in person at the Advisory Committee meeting, you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Advisory Committee or send an email to GCO_General@txdmv.gov to register by providing the required information prior to the agenda item being taken up by the Advisory Committee:

1. a completed [Public Comment Registration Form](#); or
2. the following information:
 - a. the agenda item you wish to comment on;

- b. your name;
- c. your address (optional), including your city, state, and zip code; and
- d. who you are representing.

If you make your public comment in person at the Advisory Committee meeting, you must wait for the presiding officer to call on you before you verbally make your comment. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker.

If you want to submit your public comment in writing, submit your comment to GCO_General@txdmv.gov five business days in advance of the Advisory Committee meeting, along with the following information:

- 1. the agenda item you wish to comment on;
- 2. your name;
- 3. your address (optional), including your city, state, and zip code; and
- 4. who you are representing.

Agenda items may be presented by the named presenters or other Advisory Committee members.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact Carrie Fortner by telephone at (512) 465-3044.

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

CERTIFYING OFFICIAL: Laura Moriaty, General Counsel, (512) 465-5665.

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Note: Only the highlighted language reflects the draft changes to implement HB 718 and HB 3297. The other unhighlighted amendments reflect the rule changes the TxDMV Board voted to propose at the December 2022 meeting and included here only for context.

SUBCHAPTER ~~C~~[D]. FRANCHISED DEALERS, MANUFACTURERS, DISTRIBUTORS, AND CONVERTERS

215.120 License Plates.

(a) A manufacturer, distributor, or converter may apply for a manufacturer or converter standard license plate for use on a new unregistered vehicle of the same vehicle type assembled or modified in accordance with Transportation Code §503.064 or §503.0618, as applicable:

(1) when applying for a new or renewal license, or

(2) by submitting a plate request application electronically in the system designated by the department.

(b) A manufacturer may use a manufacturer's standard license plate to test a prototype motor vehicle on a public street or highway including a commercial motor vehicle prototype designed to carry a load. A manufacturer's standard license plate may not be used on a commercial motor vehicle prototype or new commercial motor vehicle to carry a load for which the manufacturer or other person receives compensation.

(c) A manufacturer, distributor, or converter shall attach a license plate to the rear of a vehicle in accordance with §217.27 of this title (relating to Vehicle Registration Insignia).

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(d) A manufacturer, distributor, or converter shall maintain a record of each license plate issued to the manufacturer, distributor, or converter by the department in the license plate system. The record of each license plate issued must contain:

(1) the license plate number;

(2) the year and make of the vehicle to which the license plate is affixed;

(3) the VIN of the vehicle; and

(4) the name of the person in control of the vehicle to which the license plate is affixed.

(e) If a manufacturer, distributor, or converter cannot account for a license plate or a license plate is damaged, the manufacturer, distributor, or converter must:

(1) document the license plate as "void" in plate record in subsection (c); and

(2) within three days of discovering that the license plate is missing or damaged, report the license plate as lost, stolen, or damaged electronically in the system designated by the department; and

(3) if found after reported missing, cease use of the license plate.

(f) A license plate is no longer valid for use after the manufacturer, distributor, or converter reports to the department that the plate is lost, stolen, or damaged. A manufacturer, distributor, or converter must render a void plate unusable by permanently marking the front of the plate with the word "VOID" or a large "X" and once marked, must destroy or recycle the license plate, or return the license plate to the department within 10 days.

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(g) The license holder's license plate record must be available for inspection and copying by the department during normal business hours or be available to submit electronically to the department upon request.

(h) In evaluating requests for additional standard license plates, the department will consider the business justification provided by a license holder including the following:

(1) the number of vehicles assembled or modified;

(2) the highest number of motor vehicles in inventory in the prior 12 months;

(3) the size and type of business;

(4) how the license holder typically uses the plates;

(5) the license holder's record of tracking and reporting missing or damaged plates to the department; and

(6) any other factor the department in its discretion deems necessary to support the number of plates requested.

(i) a license holder must return a department-issued license plate to the department within 10 days of the license holder closing the associated license or the associated license being revoked, canceled, or closed by the department.

215.121. Sanctions.

(a) The board or department may take the following actions against a license applicant, a license holder, or a person engaged in business for which a license is required:

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1 (1) deny an application;

2 (2) revoke a license;

3 (3) suspend a license;

4 (4) assess a civil penalty;

5 (5) issue a cease and desist order; or

6 (6) take other authorized action.

7 (b) The board or department may take action described in subsection (a) of this section if a
8 license applicant, a license holder, or a person engaged in business for which a license is required:

9 (1) fails to maintain records required under this chapter;

10 (2) refuses or fails to timely comply with a request for records made by a representative
11 of the department;

12 (3) sells or offers to sell a motor vehicle to a retail purchaser other than through a
13 licensed or authorized dealer;

14 (4) fails to submit a license amendment application in the electronic system designated
15 by the department for licensing to notify the department of a change of the license holder's physical
16 address, mailing address, telephone number, or email address within 10 days of the change;

17 (5) fails to timely submit a license amendment application in the electronic system
18 designated by the department for licensing to notify the department of a license holder's business or
19 assumed name change, deletion of a line-make, or management or ownership change;

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1 (6) fails to notify the department or pay or reimburse a franchised dealer as required by
2 law;

3 (7) misuses or fails to display a license plate as required by law;

4 (8) fails to report a missing or damaged license plate;

5 (9) is a manufacturer or distributor and fails to provide a manufacturer's certificate for a
6 new vehicle;

7 (10) fails to remain regularly and actively engaged in the business of manufacturing,
8 assembling, or modifying a new motor vehicle of the type and line-make for which a license has been
9 issued by the department;

10 (11) violates a provision of Occupations Code, Chapter 2301; Transportation Code
11 Chapters 501–503 or 1001–1005; a board order or rule; or a regulation of the department relating to the
12 manufacture, assembly, sale, lease, distribution, financing, or insuring of vehicles, including advertising
13 rules under Subchapter H of this chapter (relating to Advertising);

14 (12) is convicted of an offense that directly relates to the duties or responsibilities of the
15 occupation in accordance with §211.3 of this title (relating to Criminal Offense Guidelines);

16 (13) is determined by the board or department, in accordance with §215.89 of this title
17 (relating to Fitness), to be unfit to hold a license;

18 (14) omits information or makes a material misrepresentation in any application or other
19 documentation filed with the department including providing a false or forged identity document or a
20 false or forged photograph, electronic image, or other document;

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1 (15) fails to remit payment as ordered for a civil penalty assessed by the board or
2 department;

3 (16) violates any state or federal law or regulation relating to the manufacture,
4 distribution, modification, or sale of a motor vehicle;

5 (17) fails to issue a refund as ordered by the board or department; or

6 (18) fails to participate in statutorily required mediation without good cause.

7

8 SUBCHAPTER E. GENERAL DISTINGUISHING NUMBERS

9 **43 TAC §§215.131–215.145, 215.152, 215.154–215.155, and 215.160–161**

10 **SUBCHAPTER D[E]. GENERAL DISTINGUISHING NUMBERS AND IN-TRANSIT LICENSES.**

11

12 215.132. Definitions.

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

15 (1) Barrier--A material object or set of objects that separates or demarcates.

16 (2) Buyer's general issue license plate--A general issue license plate or set of license
17 plates issued by a dealer to a vehicle buyer under Transportation Code, §503.063 for a vehicle that
18 will be titled and registered in Texas.

19 (3) Buyer's temporary license plate--A temporary license plate issued by a dealer to
20 a non-resident vehicle buyer for a vehicle that will be titled and registered out-of-state in
21 accordance with Transportation Code, §503.063(i).

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1 ~~[(2)] [Charitable organization--Has the meaning assigned by Transportation Code,~~
2 ~~§503.062(e).-~~

3 (4) ~~[(3)]~~ Consignment sale--The owner-authorized sale of a motor vehicle by a
4 person other than the owner.

5 (5) Dealer's temporary license plate--A license plate that a GDN dealer may
6 purchase and use for the purposes allowed under Transportation Code, §503.062.

7 (6) ~~[(4)]~~ House trailer--A nonmotorized vehicle designed for human habitation and
8 for carrying persons and property on its own structure and for being drawn by a motor vehicle. A
9 house trailer does not include manufactured housing. A towable recreational vehicle, as defined by
10 Occupations Code, §2301.002, is included in the terms "house trailer" or "travel trailer."

11 ~~[(5)] License--A dealer's GDN assigned by the department identifying the type of~~
12 ~~business for a specified location from which the person engages in business.]~~

13 (7) ~~[(4)]~~ Municipality--As defined according to the Local Government Code, Chapter
14 1.

15 (8) ~~[(5)]~~ ~~[(6)]~~ Person--Has the meaning assigned by Occupations Code, §2301.002.

16 (9) ~~[(6)]~~ ~~[(7)]~~ Sale--With regard to a specific vehicle, the transfer of possession of
17 that vehicle to a purchaser for consideration.

18 ~~[(7)]~~ ~~[(8)]~~ Temporary tag--A buyer's temporary tag, converter's temporary tag, or
19 dealer's temporary tag as described under Transportation Code, Chapter 503.]

20 (10) ~~[(9)]~~ Towable recreational vehicle--Has the same meaning as "house trailer"
21 defined by this section.

22 (11) ~~[(10)]~~ Travel Trailer--Has the same meaning as "house trailer" defined by this
23 section.

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1 (12) [(11)] Vehicle--Has the meaning assigned by Transportation Code, §503.001.

2 (13) [(12)] VIN--Vehicle identification number.

3

4 215.133. GDN[General Distinguishing Number] Application Requirements for a Dealer or a
5 Wholesale Motor Vehicle Auction.

6 (a) No person may engage in business as a dealer or as a wholesale motor vehicle auction
7 unless that person has a [currently]valid GDN assigned by the department for each location from
8 which the person engages in business. A dealer must also hold a GDN for a consignment location,
9 unless the consignment location is a wholesale motor vehicle auction.

10 (b) Subsection (a) of this section does not apply to a person exempt from the requirement
11 to obtain a GDN under Transportation Code §503.024.

12 (c) A GDN dealer or wholesale motor vehicle auction application shall be on a form
13 prescribed by the department and properly completed by the applicant as required under §215.83
14 of this title (relating to License Applications, Amendments, or Renewals). A GDN dealer or
15 wholesale motor vehicle auction application shall include all required information, required
16 supporting documents, and required fees and shall be submitted to the department electronically
17 in a system designated by the department for licensing. A GDN dealer or wholesale motor vehicle
18 auction GDN holder renewing or amending its GDN must verify current license information,
19 provide related information and documents for any new requirements or changes to the GDN, and
20 pay required fees including any outstanding civil penalties owed the department under a final
21 order. An applicant for a new dealer or wholesale motor vehicle auction GDN must provide the
22 following:

23 (1) Required information:

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1 (A) type of GDN requested;

2 (B) business information, including the name, physical and mailing
3 addresses, telephone number, Secretary of State file number (if applicable), and website address
4 (if applicable);

5 (C) ~~[application contact name, email address, and telephone~~
6 ~~number]~~contact name, email address, and telephone number of the person submitting the
7 application;

8 (D) contact name, email address, and telephone number of a person who
9 can provide information about business operations and the motor vehicle products or services
10 offered;

11 (E)~~[(D)]~~ the name, social security number, date of birth, identity document
12 information, and ownership percentage for each owner, partner, member, or principal if the
13 applicant is not a publicly traded company;

14 (F)~~[(E)]~~ the name, social security number, date of birth, and identity
15 document information for each officer, director, manager, trustee, or other representative
16 authorized to act on behalf of the applicant if the applicant is owned in full or in part by a legal
17 entity;

18 (G)~~[(F)]~~ the name, employer identification number, ownership percentage,
19 and non-profit or publicly traded status for each legal entity that owns the applicant in full or in
20 part;

21 (H)~~[(G)]~~ the name, social security number, date of birth, and identity
22 document information of at least one manager or other bona fide employee who will be present at

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the established and permanent place of business if the owner is out of state or will not be present during business hours at the established and permanent place of business in Texas;

(I)~~(H)~~ if a dealer, the name, telephone number, and business email address of the license plate temporary tag system account administrator designated by the applicant who must be an owner or representative listed in the application;

(J)~~(H)~~ criminal history record information under the laws of Texas, another state in the United States, the United States, and any foreign jurisdiction for each person listed in the application, including offense description, date, and location;

(K)~~(H)~~ military service status;

(L)~~(H)~~ licensing history required to evaluate fitness for licensure under §215.89 of this title (relating to Fitness);

(M)~~(H)~~ information about the business location and business premises, including whether the applicant will operate as a salvage vehicle dealer at the location;

(N)~~(M)~~ history of insolvency, including outstanding or unpaid debts, judgments, or liens, unless the debt was discharged under 11 U.S.C. §§101 et seq. (Bankruptcy Act) or is pending resolution under a case filed under the Bankruptcy Act;

(O)~~(N)~~ signed Certification~~Certificate~~ of Responsibility, which is a form provided by the department; and

(P)~~(O)~~ any other information required by the department to evaluate the application under current law and board rules.

(2) A legible and accurate electronic image of each applicable required document:

(A) proof of a surety bond if required under §215.137 of this title (relating to Surety Bond);

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(B) the certificate of filing, certificate of incorporation, or certificate of registration on file with the Secretary of State, if applicable;

(C) each assumed name certificate on file with the Secretary of State or county clerk;

(D) at least one of the following unexpired identity documents for each natural person listed in the application:

(i) ~~[current]~~ driver license;

(ii) ~~[current]~~ Texas Identification Card issued by the Texas Department of Public Safety under Transportation Code, Chapter 521, Subchapter E;

(iii) ~~[current]~~ license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H;

(iv) ~~[current]~~ passport; or

(v) ~~[current]~~ United States military identification card~~[armed forces identification]~~.

(E) a certificate of occupancy, certificate of compliance, or other official documentation confirming the business location complies with municipal ordinances, including zoning, occupancy, or other requirements for a vehicle business;

(F) documents proving business premises ownership, or lease or sublease agreement for the license period;

(G) business premises photos and a notarized affidavit certifying that all premises requirements in §215.140 of this title (relating to Established and Permanent Place of Business Premises Requirements) are met and will be maintained during the license period;

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1 (H) evidence of franchise if applying for a franchised motor vehicle dealer
2 GDN;

3 (I) proof of completion of the dealer education and training required under
4 Transportation Code §503.0296, if applicable; and

5 (J) any other documents required by the department to evaluate the
6 application under current law and board rules.

7 (3) Required fees:

8 (A) the fee ~~for the GDN~~ for each type of license requested as prescribed by
9 law; and

10 (B) the fee, including applicable taxes, for each dealer's standard and
11 temporary ~~metal dealer~~ license plate requested by the applicant as prescribed by law.

12 (d) An applicant for a dealer or wholesale auction GDN must also comply with fingerprint
13 requirements in §211.6 of this title (relating to Fingerprint Requirements for Designated License
14 Types ~~[General Distinguishing Numbers]~~), if applicable.

15 (e) An applicant for a ~~dealer~~ GDN operating under a name other than the applicant's
16 business name shall use the assumed name under which the applicant is authorized to do business,
17 as filed with the Secretary of State or county clerk, and the assumed name of such legal entity shall
18 be recorded by the applicant on the application using the letters "DBA." The applicant may not use
19 a name or ~~an~~ assumed name that may be confused with or is similar to that of a governmental
20 entity or that is otherwise deceptive or misleading to the public.

21 (f) A wholesale motor vehicle dealer GDN holder may sell or exchange vehicles with
22 licensed or authorized dealers only. A wholesale motor vehicle dealer GDN holder may not sell or
23 exchange vehicles at retail.

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(g) An independent mobility motor vehicle GDN holder shall retain and produce for inspection all records relating to the license requirements under Occupations Code, §2301.002(17-b) and all information and records required under Transportation Code §503.0295.

(h) In evaluating a new or renewal [~~dealer~~]GDN application or an application for a new GDN location, the department may require a site visit to determine if the business location meets the requirements in §215.140. The department will require the applicant or GDN holder to provide a notarized affidavit confirming that all premises requirements are met and will be maintained during the license period.

(i) A person holding an independent motor vehicle GDN does not have to hold a salvage vehicle dealer license to:

(1) act as a salvage vehicle dealer or rebuilder; or

(2) store or display a motor vehicle as an agent or escrow agent of an insurance company.

(j) A person holding an independent motor vehicle GDN and performing salvage activities under subsection (i) must apply for a National Motor Vehicle Title Information System (NMVTIS) identification number and provide the number to the department in the GDN application.

(k) (j) To be eligible for an independent motor vehicle GDN, a person must complete dealer education and training specified by the department, except as provided in this subsection:

(1) once a person has completed the required dealer education and training, the person will not have to retake the dealer education and training for subsequent GDN renewals, but may be required to provide proof of dealer education and training completion as part of the GDN renewal process;

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(2) a person holding an independent motor vehicle GDN for at least 10 years as of September 1, 2019, is exempt from the dealer education and training requirement; and.

(3) a military service member, military spouse, or military veteran will receive appropriate credit for prior training, education, and professional experience and may be exempted from the dealer education and training requirement.

215.138. Use of ~~[Metal]~~ Dealer's License Plates.

(a) A ~~[metal]~~ dealer's standard, personalized prestige, or temporary license plate shall be attached to the rear ~~[license plate holder]~~ of a vehicle in accordance with §217.27 of this title (relating to Vehicle Registration Insignia)~~[Transportation Code, §503.061]~~.

(b) A copy of the receipt for a ~~[the metal]~~ dealer's standard, personalized prestige, or temporary license plate issued by the department should be carried in the vehicle to present~~[so that the receipt can be presented]~~ to law enforcement personnel upon request.

(c) A ~~[metal]~~ dealer's standard, personalized prestige, or temporary license plate may not be displayed on:

(1) a laden commercial vehicle being operated or moved on the public streets or highways; or

(2) the dealer's service or work vehicle, except as provided by Transportation Code, §503.068(b-1); [-]

(3) a golf cart as defined under Transportation Code Chapter 551; or

(4) an off-highway vehicle as defined under Transportation Code Chapter 551A.

(d) For purposes of this section, a dealer's service or work vehicle includes:

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- 1 (1) a vehicle used for towing or transporting another vehicle;
- 2 (2) a vehicle, including a light truck, used in connection with the operation of the
- 3 dealer's shops or parts department;
- 4 (3) a courtesy car on which a courtesy car sign is displayed;
- 5 (4) a rental or lease vehicle; and
- 6 (5) a boat trailer owned by a dealer or manufacturer that is used to transport more than
- 7 one boat.

8 (e) ~~[As used in this section, "light truck" has the meaning assigned by Transportation Code,~~
9 ~~§541.201.]~~

10 ~~[(f)]~~ For purposes of this section, a light truck as defined by Transportation Code, §541.201, is
11 not considered a laden commercial vehicle when it is:

- 12 (1) mounted with a camper unit; or
- 13 (2) towing a trailer for recreational purposes.

14 (f) ~~[(g)]~~ A ~~[-metal]~~ dealer's standard, personalized prestige, or temporary license plate may be
15 displayed only on the type of vehicle for which the GDN is issued and for which a dealer is licensed to
16 sell. A nonfranchised dealer may not display a ~~[-metal]~~ dealer's standard, personalized prestige, or
17 temporary license plate on a new motor vehicle.

18 (g) ~~[(h)]~~ A ~~[-metal]~~ dealer's standard or personalized prestige license plate may be displayed only
19 on a vehicle that has a valid inspection in accordance with Transportation Code, Chapter 548.

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- 1 (h) [(h)] A dealer shall maintain in the license plate system a record of each [~~metal dealer's~~
2 license plate issued by the department to that dealer including dealer's standard, personalized prestige,
3 or temporary license [~~standard and personalized prestige~~] plates. The record must contain:
- 4 (1) the [~~assigned metal dealer's~~] license plate number;
- 5 (2) the year and make of the vehicle to which the [~~metal~~] dealer's license plate is affixed;
- 6 (3) the VIN of the vehicle; and
- 7 (4) the name of the person in control of the vehicle.
- 8 (i) [(i)] If a dealer cannot account for a [~~metal~~] dealer's license plate that the department issued
9 to that dealer, the dealer must:
- 10 (1) document the [~~metal~~] dealer's license plate as "void" in the [~~metal~~] dealer's license
11 plate record;
- 12 (2) within three days of discovering that the [~~metal~~] dealer's license plate is missing[, or
13 damaged, report the dealer's license plate as lost, stolen, or damaged in the electronic system
14 designated by the department [~~report to the department in writing that the metal dealer's license plate~~
15 ~~is lost or stolen~~]; and
- 16 (3) if found, cease use of the [~~metal~~] dealer's license plate.
- 17 (j) [(k)] A [~~metal~~] dealer's standard, personalized prestige, or temporary license plate is no
18 longer valid for use after the dealer reports to the department that the [~~metal~~] dealer's license plate is
19 lost, stolen, or damaged [~~missing~~]. A dealer must render a void plate unusable by permanently marking

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1 the front of the plate with the word "VOID" or a large "X" and once marked, must destroy or recycle the
2 license plate, or return the license plate to the department for recycling within 10 days.

3 (k) A dealer's license plate record must be available for inspection and copying by the
4 department during normal business hours or be available to submit electronically to the department
5 upon request.

6 (l) A dealer must return a department-issued license plate, sticker, or receipt to the department
7 within 10 days of the license holder closing the associated license or the department revoking or
8 canceled the license.

9 (m) A wholesale motor vehicle auction GDN holder that also holds a dealer GDN may display a
10 dealer's temporary license plate on a vehicle that is being transported to or from the licensed auction
11 location.

12 215.140. Established and Permanent Place of Business Premises Requirements.

13 (a) A dealer must meet the following requirements at each licensed location and maintain the
14 requirements during the term of the license. If multiple dealers are licensed at a location, each dealer
15 must maintain the following requirements during the entire term of the license.

16 (1) Business hours for retail dealers.

17 (A) A retail dealer's office shall be open at least four days per week for at least
18 four consecutive hours per day and may not be open solely by appointment.

19 (B) The retail dealer's business hours for each day of the week must be posted at
20 the main entrance of the retail dealer's office in a manner and location that is accessible to the public.
21 The owner or a bona fide employee of the retail dealer shall be at the retail dealer's licensed location

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1 during the posted business hours for the purposes of buying, selling, exchanging, or leasing vehicles. If
2 the owner or a bona fide employee is not available to conduct business during the retail dealer's posted
3 business hours due to special circumstances or emergencies, a separate sign must be posted indicating
4 the date and time the retail dealer will resume operations. Regardless of the retail dealer's business
5 hours, the retail dealer's telephone must be answered from 8:00 a.m. to 5:00 p.m. weekdays by a bona
6 fide employee, owner, answering service, voicemail service, or answering machine. A caller must be able
7 to speak to a natural person or leave a message during these hours.

8 (2) Business hours for wholesale motor vehicle dealers. A dealer that holds only a
9 wholesale motor vehicle dealer's GDN must post its business hours at the main entrance of the
10 wholesale motor vehicle dealer's office in a manner and location that is accessible to the public. A
11 wholesale motor vehicle dealer or bona fide employee shall be at the wholesale motor vehicle dealer's
12 licensed location at least two weekdays per week for at least two consecutive hours per day. A wholesale
13 motor vehicle dealer may not be open solely by appointment. Regardless of the wholesale motor vehicle
14 dealer's business hours, the wholesale motor vehicle dealer's telephone must be answered from 8:00
15 a.m. to 5:00 p.m. weekdays by a bona fide employee, owner, answering service, voicemail service, or
16 answering machine. A caller must be able to speak to a natural person or leave a message during these
17 hours.

18 (3) Business sign requirements for retail dealers.

19 (A) A retail dealer must display a conspicuous, permanent sign with letters at
20 least six inches in height showing the retail dealer's business name or assumed name substantially
21 similar to the name reflected on the retail dealer's GDN under which the retail dealer conducts business.
22 A business sign is considered conspicuous if it is easily visible to the public within 100 feet of the main

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1 entrance of the business office. A business sign is considered permanent only if it is made of durable,
2 weather-resistant material.

3 (B) The sign must be permanently mounted at the physical address listed on the
4 application for the retail dealer's GDN. A business sign is considered permanently mounted if bolted to
5 an exterior building wall or bolted or welded to a dedicated sign pole or sign support permanently
6 installed in the ground.

7 (C) A retail dealer may use a temporary sign or banner if that retail dealer can
8 show proof that a sign that meets the requirements of this paragraph has been ordered and provides a
9 written statement that the sign will be promptly and permanently mounted upon delivery.

10 (D) A retail dealer is responsible for ensuring that the business sign complies
11 with municipal ordinances, and that any lease signage requirements are consistent with the signage
12 requirements in this paragraph.

13 (4) Business sign requirements for wholesale motor vehicle dealers.

14 (A) Exterior Sign

15 (i) A wholesale motor vehicle dealer must display a conspicuous,
16 permanent sign with letters at least six inches in height showing the wholesale motor vehicle dealer's
17 business name or assumed name substantially similar to the name reflected on the wholesale motor
18 vehicle dealer's GDN under which the wholesale motor vehicle dealer conducts business. Effective
19 September 1, 2023, the sign must also include the statement that "Purchasers must be Licensed Dealers"
20 in letters at least three inches in height. A business sign is considered conspicuous if it is easily visible to

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the public within 100 feet of the main entrance of the business office. A business sign is considered permanent only if it is made of durable, weather-resistant material.

(ii) The sign must be permanently mounted on the business property at the physical address listed on the application. A business sign is considered permanently mounted if bolted to an exterior building wall or bolted or welded to a dedicated sign pole or sign support permanently installed in the ground. A wholesale motor vehicle dealer may use a temporary exterior sign or banner if the wholesale motor vehicle dealer can show proof that a sign that meets the requirements of this paragraph has been ordered and provides a written statement that the sign will be promptly and permanently mounted upon delivery.

(B) Interior Sign

(i) If the wholesale motor vehicle dealer's office is located in an office building with one or more other businesses and an outside sign is not permitted by the property owner, a conspicuous permanent business sign permanently mounted on or beside the main door to the wholesale motor vehicle dealer's office with letters at least two inches in height is acceptable. Effective September 1, 2023, the sign must also include the statement that "Purchasers must be Licensed Dealers" in letters at least one inch in height.

(ii) An interior business sign is considered conspicuous if it is easily visible to the public within 10 feet of the main entrance of the wholesale motor vehicle dealer's office. An interior sign is considered permanent if made from durable material and has lettering that cannot be changed. An interior sign is considered permanently mounted if bolted or otherwise permanently affixed to the main door or nearby wall. A wholesale motor vehicle dealer may use a temporary interior sign or banner if the wholesale motor vehicle dealer can show proof that a sign that meets the requirements of

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1 this paragraph has been ordered and provides a written statement that the sign will be promptly and
2 permanently mounted upon delivery.

3 (C) A wholesale motor vehicle dealer is responsible for ensuring that the
4 business sign complies with municipal ordinances and that any lease signage requirements are
5 consistent with the signage requirements in this paragraph.

6 (5) Office requirements for a retail dealer and a wholesale motor vehicle dealer.

7 (A) A dealer's office must be located in a building with a permanent roof and
8 connecting exterior walls on all sides.

9 (B) A dealer's office must comply with all applicable municipal ordinances,
10 including municipal zoning ordinances. The dealer is responsible for obtaining a certificate of occupancy,
11 certificate of compliance, or other required document issued by a municipal government to show
12 compliance, including a new certificate or document when the building is altered or remodeled, or when
13 the building use changes.

14 (C) A dealer's office may not be located in a residence, apartment, hotel, motel,
15 rooming house, or any room or building not open to the public.

16 (D) A dealer's office may not be located in a restaurant, gas station, or
17 convenience store, unless the office has a separate entrance door that does not require a dealer's
18 customer to pass through the other business.

19 (E) A dealer's office may not be virtual or provided by a subscription for office
20 space or office services. Access to an office space or office services is not considered an established and
21 permanent location.

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1 (F) The physical address of the dealer's office must be in Texas and recognized by
2 the U.S. Postal Service, ~~be~~^{or} capable of receiving U.S. mail, and have an assigned emergency services
3 property address. The department will not mail a ~~metal~~ dealer's or buyer's license plate to an out-of-
4 state address and will only mail or deliver a license plate to a dealer's physical location.

5 (G) A portable-type office building may qualify as an office only if the building
6 meets the requirements of this section and is not a readily moveable trailer or other vehicle.

7 (H) The dealer's office space must:

8 (i) include at least 100 square feet of interior floor space, exclusive of
9 hallways, closets, or restrooms;

10 (ii) have a minimum seven-foot-high ceiling;

11 (iii) accommodate required office equipment; and

12 (iv) allow a dealer and customer to safely access the office and conduct
13 business in private while seated.

14 (6) Required office equipment for a retail dealer and a wholesale motor vehicle dealer.
15 At a minimum, a dealer's office must be equipped with:

16 (A) a desk;

17 (B) two chairs;

18 (C) internet access; and

19 (D) a working telephone number listed in the business name or assumed name
20 under which the dealer conducts business; and ~~[-]~~

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1 (E) at least one securely locked, substantially constructed safe or steel cabinet
2 bolted or affixed to the floor or wall in such a way that the safe or steel cabinet cannot be readily
3 removed and of sufficient size to store all dealer's and buyer's license plates in a dealer's possession
4 including both assigned plates for vehicles in inventory and unissued buyer's license plates.

5 (7) Number of retail dealers in one building. Not more than four retail dealers may be
6 located in the same building. Each retail dealer located in the same building must meet the requirements
7 of this section.

8 (8) Number of wholesale motor vehicle dealers in one office building. Not more than
9 eight wholesale motor vehicle dealers may be located in the same office building. Each wholesale motor
10 vehicle dealer located in the same office building must meet the requirements of this section.

11 (9) Office sharing prohibition for retail dealers and wholesale motor vehicle dealers.
12 Unless otherwise authorized by the Transportation Code, a retail dealer and a wholesale motor vehicle
13 dealer licensed after September 1, 1999, may not be located in the same building.

14 (10) Dealer housed with other business.

15 (A) If a person conducts business as a dealer in conjunction with another
16 business owned by the same person and under the same name as the other business, the same
17 telephone number may be used for both businesses. If the name of the dealer differs from the name of
18 the other business, a separate telephone listing and a separate sign for each business are required.

19 (B) A person may conduct business as a dealer in conjunction with another
20 business not owned by that person only if the dealer owns the property on which business is conducted
21 or has a separate lease agreement from the owner of that property that meets the requirements of this

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section. The same telephone number may not be used by both businesses. The dealer must have separate business signs, telephone listings, and office equipment required under this section.

(C) A dealer's office must have permanent interior walls on all sides and be separate from any public area used by another business.

(11) Display area and storage lot requirements.

(A) A wholesale motor vehicle dealer is not required to have display space at the wholesale motor vehicle dealer's business premises.

(B) A retail dealer must have an area designated as display space for the retail dealer's inventory. A retail dealer's designated display area must comply with the following requirements.

(i) The display area must be located at the retail dealer's physical business address or contiguous to the retail dealer's physical address. The display area may not be in a storage lot.

(ii) The display area must be of sufficient size to display at least five vehicles of the type for which the GDN is issued. The display area~~[Those spaces]~~ must be reserved exclusively for the retail dealer's inventory and may not be used for customer parking, employee parking, general storage, or shared or intermingled with another business or a public parking area, a driveway to the office, or another dealer's display area.

(iii) The display area may not be on a public easement, right-of-way, or driveway unless the governing body having jurisdiction of the easement, right-of-way, or driveway

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expressly consents in writing to use as a display area. If the easement, right-of-way, or driveway is a part of the state highway system, use as a display area may only be authorized by a lease agreement.

(iv) If a retail dealer shares a display or parking area with another business, including another dealer, the dealer's vehicle inventory must be separated from the other business's display or parking area by a material object or barrier that cannot be readily removed. A barrier that cannot be readily removed is one that cannot be easily moved by one person and typically weighs more than 50 pounds. A material object or barrier must be in place on all sides except for the space necessary to allow for entry and exit of vehicle inventory.

(v) If a dealer's business location includes gasoline pumps or a charging station or includes another business that sells gasoline or has a charging station, the dealer's display area may not be part of the parking area for fuel or charging station customers and may not interfere with access to or from the gasoline pumps, fuel tanks, charging station, or fire prevention equipment.

(vi) The display area must be adequately illuminated if the retail dealer is open at night so that a vehicle for sale can be properly inspected by a potential buyer.

(vii) The display area may be located inside a building; however, if multiple dealers are displaying vehicles inside a building, each dealer's display area must be separated by a material object or barrier that cannot be readily removed. A barrier that cannot be readily removed is one that cannot be easily moved by one person and typically weighs more than 50 pounds. A material object or barrier must be in place on all sides except for the space necessary to allow for entry and exit of vehicle inventory.

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1 (C) A GDN holder~~[dealer]~~ may maintain a storage lot only if the storage lot is not
2 accessible to the public and no sales activity occurs at the storage lot. A sign stating the license
3 holder's~~[dealer's]~~ name, contact information, and the fact the property is a storage lot is permissible. A
4 storage lot must be fenced or in an access-controlled location to be considered not accessible to the
5 public. An applicant must include the physical address of a storage lot in an application for a new license
6 if the storage lot is located at a different physical address than the licensed business. If a storage lot is
7 established after a license is issued and is located at a different physical address than the licensed
8 business, the dealer must submit a license amendment to add the physical address of the storage lot
9 within 10 days of the storage lot being established.

10 (12) Dealers authorized to sell salvage motor vehicles. If an independent motor vehicle
11 dealer offers a salvage motor vehicle for sale on the dealer's premises, the vehicle must be clearly and
12 conspicuously marked with a sign informing a potential buyer that the vehicle is a salvage motor vehicle.
13 ~~[This requirement does not apply to a licensed salvage pool operator.]~~

14 (13) Lease requirements. If the premises from which a dealer conducts business,
15 including any display area, is not owned by the dealer, the dealer must maintain a lease that is
16 continuous during the period of time for which the dealer's license will be issued. The lease agreement
17 must be on a properly executed form containing at a minimum:

18 (A) the name of the property owner as the lessor of the premises and the name
19 of the dealer as the tenant or lessee of the premises;

20 (B) the period of time for which the lease is valid;

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(C) the street address or legal description of the property, provided that if only a legal description of the property is included, a dealer must attach a statement verifying that the property description in the lease agreement is the physical street address identified on the application as the physical address for the established and permanent place of business;

(D) the signature of the property owner as the lessor and the signature of the dealer as the tenant or lessee; and

(E) if the lease agreement is a sublease in which the property owner is not the lessor, the dealer must also obtain a signed and notarized statement from the property owner including the following information:

(i) property owner's full name, email address, mailing address, and phone number; and

(ii) property owner's statement confirming that the dealer is authorized to sublease the location and may operate a vehicle sales business from the location.

(14) Dealer must display GDN and bond notice. A dealer must display the dealer's GDN issued by the department at all times in a manner that makes the GDN easily readable by the public and in a conspicuous place at each place of business for which the dealer's GDN is issued. ~~If the dealer's GDN applies to more than one location, a copy of the GDN and bond notice must be displayed in each supplemental location.~~ A dealer required to obtain a surety bond must post a bond notice adjacent to and in the same manner as the dealer's GDN is displayed. The notice must include the bond company name, bond identification number, and procedure by which a claimant can recover under the bond. The notice must also include the department's website address and notify a consumer that a dealer's surety

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bond information may be obtained by submitting a request to the department. If the dealer's GDN applies to more than one location, a copy of the GDN and bond notice must be displayed in each supplemental location.

(b) Wholesale motor vehicle auction premises requirements. A wholesale motor vehicle auction must comply with the following premises requirements:

(1) a wholesale motor vehicle auction GDN holder must hold a motor vehicle auction on a regular periodic basis at the licensed location, and an owner or bona fide employee must be available at the business location during each auction and during posted business hours. If the owner or a bona fide employee is not available to conduct business during the posted business hours due to special circumstances or emergencies, a separate sign must be posted indicating the date and time operations will resume.

(2) the business telephone must be answered from 8:00 a.m. to 5:00 p.m. weekdays by a bona fide employee, owner, answering service, voicemail service, or answering machine. A caller must be able to speak to a natural person or leave a message during these hours.

(3) a wholesale motor vehicle auction GDN holder must display a business sign that meets the following requirements:

(A) The sign must be a conspicuous, permanent sign with letters at least six inches in height showing the business name or assumed name substantially similar to the name reflected on the GDN under which the GDN holder conducts business. A business sign is considered conspicuous if it is easily visible to the public within 100 feet of the main entrance of the business office. A business sign is considered permanent only if it is made of durable, weather-resistant material.

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1 (B) The sign must be permanently mounted at the physical address listed on the
2 application for the wholesale motor vehicle auction GDN. A business sign is considered permanently
3 mounted if bolted to an exterior building wall or bolted or welded to a dedicated sign pole or sign
4 support permanently installed in the ground.

5 (C) An applicant may use a temporary sign or banner if the applicant can show
6 proof that a sign that meets the requirements of this paragraph has been ordered and provides a written
7 statement that the sign will be promptly and permanently mounted upon delivery.

8 (D) An applicant or holder is responsible for ensuring that the business sign
9 complies with municipal ordinances, and that any lease signage requirements are consistent with the
10 signage requirements in this paragraph.

11 (4) The business office of a wholesale motor vehicle auction GDN applicant and holder
12 must meet the following requirements:

13 (A) The office must be located in a building with a permanent roof and
14 connecting exterior walls on all sides.

15 (B) The office must comply with all applicable municipal ordinances, including
16 municipal zoning ordinances. The wholesale motor vehicle auction is responsible for obtaining a
17 certificate of occupancy, certificate of compliance, or other required document issued by a municipal
18 government to show compliance, including a new certificate or document when the building is altered or
19 remodeled, or when the building use changes.

20 (C) The office may not be located in a residence, apartment, hotel, motel,
21 rooming house, or any room or building not open to the public.

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1 (D) The office may not be located in a restaurant, gas station, or convenience
2 store, unless the office has a separate entrance door that does not require a customer to pass through
3 the other business.

4 (E) The office may not be virtual or provided by a subscription for office space or
5 office services. Access to office space or office services is not considered an established and permanent
6 location.

7 (F) The physical address of the office must be in Texas and recognized by the U.S.
8 Postal Service, capable of receiving U.S. mail, and have an assigned emergency services property
9 address.

10 (G) A portable-type office building may qualify as an office only if the building
11 meets the requirements of this section and is not a readily moveable trailer or other vehicle.

12 (5) A wholesale motor vehicle auction GDN applicant and holder must have the following
13 office equipment:

14 (A) a desk;

15 (B) a chair;

16 (C) internet access; [and]

17 (D) a working telephone number listed in the business name or assumed name
18 under which business is conducted; and [–]

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1 (E) at least one securely locked, substantially constructed safe or steel cabinet
2 bolted or affixed to the floor or wall in such a way that the safe or steel cabinet cannot be readily
3 removed and of sufficient size to store all license plates in a in a wholesale auction's possession.

4 (6) A wholesale motor vehicle auction must meet the following display area and storage
5 lot requirements:

6 (A) The area designated as display space for inventory must be located at the
7 physical business address or contiguous to the physical address. The display area may not be in a storage
8 lot.

9 (B) The display area must be of sufficient size to display at least five vehicles.
10 Those spaces must be reserved exclusively for inventory and may not be used for customer parking,
11 employee parking, general storage, or shared or intermingled with another business or a public parking
12 area, or a driveway to the office.

13 (C) The display area may not be on a public easement, right-of-way, or driveway
14 unless the governing body having jurisdiction of the easement, right-of-way, or driveway expressly
15 consents in writing to use as a display area. If the easement, right-of-way, or driveway is a part of the
16 state highway system, use as a display area may only be authorized by a lease agreement.

17 (D) If the business location includes gasoline pumps or a charging station or
18 includes another business that sells gasoline or has a charging station, the display area may not be part
19 of the parking area for fuel or charging station customers and may not interfere with access to or from
20 the gasoline pumps, fuel tanks, charging station, or fire prevention equipment.

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1 (E) The display area must be adequately illuminated if open at night so that a
2 vehicle for sale can be properly inspected by a potential buyer.

3 (F) The display area may be located inside a building.

4 (G) A wholesale motor vehicle auction may maintain a storage lot only if the
5 storage lot is not accessible to the public and no sales activity occurs at the storage lot. A sign stating the
6 business name, contact information, and the fact the property is a storage lot is permissible. A storage
7 lot must be fenced or in an access-controlled location to be considered not accessible to the public. An
8 applicant must include the physical address of a storage lot in an application for a new license if the
9 storage lot is located at a different physical address. If a storage lot is established after a license is issued
10 and is located at a different physical address, the dealer must submit a license amendment to add the
11 physical address of the storage lot within 10 days of the storage lot being established.

12 (7) A wholesale motor vehicle auction must meet the following lease requirements if the
13 business premises, including any display area, is not owned by the wholesale motor vehicle auction:

14 (A) the applicant or holder must maintain a lease that is continuous during the
15 period of time for which the GDN will be issued;

16 (B) The lease agreement must be on a properly executed form containing at a
17 minimum:

18 (i) the name of the property owner as the lessor of the premises and the
19 name of the GDN applicant or holder as the tenant or lessee of the premises;

20 (ii) the period of time for which the lease is valid;

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1 (iii) the street address or legal description of the property, provided that
2 if only a legal description of the property is included, a wholesale motor vehicle auction must attach a
3 statement verifying that the property description in the lease agreement is the physical street address
4 identified on the application as the physical address for the established and permanent place of
5 business;

6 (iv) the signature of the property owner as the lessor and the signature
7 of the applicant or holder as the tenant or lessee; and

8 (C) if the lease agreement is a sublease in which the property owner is not the
9 lessor, the wholesale motor vehicle auction must also obtain a signed and notarized statement from the
10 property owner including the following information:

11 (i) property owner's full name, email address, mailing address, and
12 phone number; and

13 (ii) property owner's statement confirming that the dealer is authorized
14 to sublease the location and may operate a wholesale motor vehicle auction business from the location.

15
16 215.141. Sanctions.

17 (a) The board or department may take the following actions against a license applicant, a license
18 holder, or a person engaged in business for which a license is required:

19 (1) deny an application;

20 (2) revoke a license;

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1 (3) suspend a license; ~~and~~

2 (4) assess a civil penalty; ~~[or other action against a license applicant, a license holder, or a~~
3 ~~person engaged in business for which a license is required.]~~

4 (5) issue a cease and desist order; or

5 (6) or take other authorized action.

6 (b) The board or department may take action described in subsection (a) of this section if a
7 license applicant, a license holder, or a person engaged in business for which a license is required:

8 (1) fails to maintain a good and sufficient bond or post the required bond notice [in the
9 amount of \$25,000]if required under Transportation Code §503.033 (relating to Security Requirement);

10 (2) fails to meet or maintain the requirements of §215.140 (relating to Established and
11 Permanent Place of Business Premises Requirements);

12 (3) fails to maintain records required under this chapter;

13 (4) [3] refuses or fails to comply with a request by ~~[a representative of]~~the department
14 for electronic records or to examine and copy records during the license holder's business hours at the
15 licensed business location:

16 (A) sales records required to be maintained by §215.144 of this title (relating to
17 Records);

18 (B) ownership papers for a vehicle owned by that dealer or under that dealer's
19 control;

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1 (C) evidence of ownership or a current lease agreement for the property on
2 which the business is located; or

3 (D) the Certificate of Occupancy, Certificate of Compliance, business license or
4 permit, or other official documentation confirming compliance with county and municipal laws or
5 ordinances for a vehicle business at the licensed physical location.

6 (5) [(4)] refuses or fails to timely comply with a request for records made by a
7 representative of the department;

8 (6) [(5)] holds a wholesale motor vehicle dealer's license and[:]

9 ~~[(A) fails to meet the requirements of §215.140 of this title (relating to~~
10 ~~Established and Permanent Place of Business)); or~~

11 ~~(B)]~~ sells or offers to sell a motor vehicle to a person other than a licensed or
12 authorized dealer;

13 (7) [(6)] sells or offers to sell a type of vehicle that the person is not licensed to sell;

14 (8) [(7)] fails to submit a license amendment application in the electronic system
15 designated by the department for licensing to notify the department of a change of the license holder's
16 physical address, mailing address, telephone number, or email address within 10 days of the change,
17 including a change in the physical address of a storage lot;

18 (9) [(8)] fails to submit a license amendment application in the electronic system
19 designated by the department for licensing to notify the department of a license holder's name change,
20 or management or ownership change within 10 days of the change;

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1 (10) [(9)] ~~[except as provided by law,]~~ issues more than one buyer's license plate or set of
2 plates or temporary license plate for a vehicle sold ~~[temporary tag for the purpose of extending the~~
3 ~~purchaser's operating privileges for more than 60 days]~~;

4 (11) [(10)] fails to remove a license plate or registration insignia from a vehicle that is
5 displayed for sale;

6 (12) [(11)] misuses a ~~[metal]~~ dealer's license plate ~~[- or a temporary tag]~~;

7 (13) [(12)] fails to display a ~~[metal]~~ dealer's license plate ~~[- or temporary tag]~~, as required
8 by law;

9 (14) [(13)] holds open a title or fails to take assignment of a certificate of title,
10 manufacturer's certificate, or other basic evidence of ownership for a vehicle acquired by the dealer, or
11 fails to assign the certificate of title, manufacturer's certificate, or other basic evidence of ownership for
12 a vehicle sold;

13 (15) [(14)] fails to remain regularly and actively engaged in the business of buying,
14 selling, or exchanging vehicles of the type for which the GDN is issued by the department;

15 (16) [(15)] violates a provision of Occupations Code, Chapter 2301; Transportation Code
16 Chapters 503 and 1001~~[1000]~~–1005; a board order or rule; or a regulation of the department relating to
17 the sale, lease, distribution, financing, or insuring of vehicles, including advertising rules under
18 Subchapter F~~[H]~~ of this chapter (relating to Advertising);

19 (17) [(16)] is convicted of an offense that directly relates to the duties or responsibilities
20 of the occupation in accordance with §211.3 of this title (relating to Criminal Offense Guidelines);

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1 (18) ~~[(17)]~~ is determined by the board or department, in accordance with §215.89 of this
2 title (relating to Fitness), to be unfit to hold a license;

3 (19) ~~[(18)]~~ has not assigned at least five vehicles in the prior 12 months, provided the
4 dealer has been licensed more than 12 months;

5 (20) ~~[(19)]~~ files or provides a false or forged:

6 (A) title document, including an affidavit making application for a certified copy
7 of a title; or

8 (B) tax document, including a sales tax statement or affidavit;

9 (21) ~~[(20)]~~ uses or allows use of that dealer's license or location for the purpose of
10 avoiding a provision of Occupations Code, Chapter 2301; Transportation Code, Chapters 503 and 1000 -
11 1005; or other laws;

12 (22) ~~[(21)]~~ omits information or makes a material misrepresentation in any application or
13 other documentation filed with the department including providing a false or forged identity document
14 or a false or forged photograph, electronic image, or other document;

15 (23) ~~[(22)]~~ fails to remit payment as ordered for a civil penalty assessed by the board or
16 department;

17 (24) ~~[(23)]~~ sells a new motor vehicle without a franchised dealer's license issued by the
18 department;

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- 1 (25) [(24)] fails to comply with a dealer responsibility under §215.150 of this title
2 (relating to Dealer Authorization to Issue License Plates) [(relating to Authorization to Issue Temporary
3 Tags)];
4 (26) fails to securely store a license plate;
5 (27) fails to maintain a record of dealer license plates as required under §215.138 of this
6 title (relating to Use of Dealer's License Plates);
7 (28) fails to file or enter a vehicle transfer notice;
8 (29) fails to enter a lost, stolen, or damaged license plate in the electronic system
9 designated by the department within the time limit prescribed by rule;
10 [utilizes a temporary tag that fails to meet the requirements of §215.153 of this title
11 (relating to Specifications for All Temporary Tags);]
12 (30) [(27)] [(25)] violates any state or federal law or regulation relating to the sale of a
13 motor vehicle; [or]
14 (31) [(28)] [(26) effective January 1, 2017,] knowingly fails to disclose that a motor vehicle
15 has been repaired, rebuilt, or reconstructed and issued a title under Transportation Code, §501.100
16 (relating to Application for Regular Certificate of Title for Salvage Vehicle);.
17 (32) [(29)] fails to issue a refund as ordered by the board or department; or
18 (33) [(30)] fails to acquire or maintain a required certificate of occupancy, certificate of
19 compliance, business license or permit, or other official documentation for the licensed location

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1 confirming compliance with county or municipal laws or ordinances or other local requirements for a
2 vehicle business.

3
4
5 215.144. Vehicle Records.

6 (a) Purchases and sales records. A dealer and wholesale motor vehicle auction must maintain a
7 complete record of all vehicle purchases and sales for a minimum period of 48 months and make the
8 record available for inspection and copying by ~~[a representative of]~~ the department during business
9 hours.

10 (b) Independent mobility motor vehicle dealers. An independent mobility motor vehicle dealer
11 must keep a complete written record of each vehicle purchase, vehicle sale, and any adaptive work
12 performed on each vehicle for a minimum period of 36 months after the date the adaptive work is
13 performed on the vehicle. An independent mobility motor vehicle dealer shall also retain and produce
14 for inspection all records relating to the license requirements under Occupations Code, §2301.002(17-b)
15 and all information and records required under Transportation Code §503.0295.

16 (c) Location of records. A dealer's record reflecting purchases and sales for the preceding 13
17 months must be maintained at the dealer's licensed location. Original titles are not required to be kept
18 at the licensed location~~[,]~~ but must be made available to the agency upon reasonable request. A dealer's
19 record for prior time periods may be kept off-site.

20 (d) Request for records. Within 15 days of receiving a request~~[receipt of a request sent by mail or~~
21 ~~electronic document transfer]~~ from the department, a dealer must deliver a copy of the specified

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records to the address listed in the request. If a dealer has a concern about the origin of a records request, the dealer may verify that request with the department~~[division]~~ prior to submitting its records.

(e) Content of records. A dealer's complete record for each vehicle purchase or vehicle sale must contain:

(1) the date of the purchase;

(2) the date of the sale;

(3) the VIN;

(4) the name and address of the person selling the vehicle to the dealer;

(5) the name and address of the person purchasing the vehicle from the dealer;

(6) the name and address of the consignor if the vehicle is offered for sale by consignment;

(7) except for a purchase or sale where the Tax Code does not require payment of motor vehicle sales tax, a county tax assessor-collector receipt marked paid~~[copy of the receipt, titled "Tax Collector's Receipt for Texas Title Application/Registration/Motor Vehicle Tax"]~~;

(8) a copy of all documents, forms, and agreements applicable to a particular sale, including a copy of:

(A) the title application;

(B) the work-up sheet;

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(C) the front and back of the manufacturer's certificate of origin or
manufacturer's statement of origin, unless the dealer obtains the title ~~[is obtained]~~ through the
electronic title system;

(D) the front and back of the title for the purchase and the sale, unless the
dealer enters or obtains the title ~~[is obtained]~~ through the electronic title system;

(E) the factory invoice, if applicable;

(F) the sales contract;

(G) the retail installment agreement;

(H) the buyer's order;

(I) the bill of sale;

(J) any waiver;

(K) any other agreement between the seller and purchaser; ~~[and]~~

(L) the purchaser's photo identification; ~~[Form VTR-136, relating to County of~~
~~Title Issuance, completed and signed by the buyer;]~~

(M) the odometer disclosure statement signed by the buyer; and

(N) the rebuilt salvage disclosure, if applicable.

(9) the original manufacturer's certificate of origin, original manufacturer's statement of
origin, or original title for a new motor vehicle[s] offered for sale by a dealer which must be, ~~and a~~
properly stamped ~~[original manufacturer's certificate of origin, original manufacturer's statement of~~

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~~origin, or original title for motor vehicles sold by a dealer]~~ if the title transaction is entered into the electronic titling system by the dealer;

(10) the dealer's monthly Motor Vehicle Seller Financed Sales Returns, if any; and

(11) if the vehicle sold is a motor home or a towable recreational vehicle subject to inspection under Transportation Code, Chapter 548, a copy of the written notice provided to the buyer at the time of the sale, notifying the buyer that the vehicle is subject to inspection requirements; and [-]

(12) a record of the issued or assigned vehicle license plate or a vehicle transfer notice, as applicable.

(f) Title assignments.

(1) For each vehicle a dealer acquires or offers for sale, the dealer must properly take assignment in the dealer's name of any:

(A) title;

(B) manufacturer's statement of origin;

(C) manufacturer's certificate of origin; or

(D) other evidence of ownership.

(2) Unless not required by Transportation Code, §501.0234(b), a[A] dealer must apply in the name of the purchaser of a vehicle for the title and registration, if applicable, of the vehicle with a[the appropriate] county tax assessor-collector[~~as selected by the purchaser~~].

(3) To comply with Transportation Code, §501.0234(f), a title or registration is considered filed within a reasonable time if the registration is filed within:

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1 (A) 30~~[20 working]~~ days of the vehicle sale date ~~[date of sale of the vehicle]~~ ~~[for~~
2 ~~a vehicle titled or registered in Texas]~~; or

3 (B) 45 days of the vehicle sale date ~~[date of sale of the vehicle]~~ for a dealer-
4 financed transaction~~[involving a vehicle that is titled or registered in Texas]~~; or~~[.]~~

5 (C) 60 days of the vehicle sale date for a vehicle purchased by a member or
6 reserve member of the United States armed forces, Texas National Guard, or National Guard of another
7 state serving on active duty.

8 (4) The dealer is required to provide to the purchaser the receipt for the title and
9 registration application.

10 (5) The dealer is required to maintain a copy of the receipt for the title and registration
11 application in the dealer's sales file.

12 (g) ~~Out-of-state sales. For a sale[s transaction]~~involving a vehicle to be transferred out of state,
13 the dealer must:

14 (1) within 30~~[20 working]~~ days of the date of sale, either file the application for
15 certificate of title on behalf of the purchaser or deliver the properly assigned evidence of ownership to
16 the purchaser; and

17 (2) maintain in the dealer's record at the dealer's licensed location a photocopy of the
18 completed sales tax exemption form for out of state sales approved by the Texas Comptroller of Public
19 Accounts.

20 (h) Consignment sales. A dealer offering a vehicle for sale by consignment shall have a written
21 consignment agreement or a power of attorney for the vehicle, and shall, after the sale of the vehicle,

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1 take assignment of the vehicle in the dealer's name and, pursuant to subsection (f), apply in the name of
2 the purchaser for transfer of title and registration, if the vehicle is to be registered, with a[the
3 ~~appropriate~~] county tax assessor-collector[~~as selected by the purchaser~~]. The dealer must, for a
4 minimum of 48 months, maintain a record of each vehicle offered for sale by consignment, including the
5 VIN and the name of the owner of the vehicle offered for sale by consignment.

6 (i) Public motor vehicle auctions.

7 (1) A GDN holder that acts as a public motor vehicle auction must comply with
8 subsection (h) of this section.

9 (2) A public motor vehicle auction:

10 (A) is not required to take assignment of title of a vehicle it offers for sale;

11 (B) must take assignment of title of a vehicle from a consignor prior to making
12 application for title on behalf of the buyer; and

13 (C) must make application for title on behalf of the purchaser and remit motor
14 vehicle sales tax within a reasonable time as defined in subsection (f) of this section. [~~20 working days of~~
15 ~~the sale of the vehicle.~~]

16 (3) A GDN holder may not sell another GDN holder's vehicle at a public motor vehicle
17 auction.

18 (j) Wholesale motor vehicle auction records. A wholesale motor vehicle auction license holder
19 must maintain, for a minimum of 48 months, a complete record of each vehicle purchase and sale
20 occurring through the wholesale motor vehicle auction. The wholesale motor vehicle auction license

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1 holder shall make the record available for inspection and copying by ~~a representative of~~ the
2 department during business hours.

3 (1) A wholesale motor vehicle auction license holder must maintain at the licensed
4 location a record reflecting each purchase and sale for at least the preceding 24 months. Records for
5 prior time periods may be kept off-site.

6 (2) Within 15 days of receiving a department request~~[receipt of a request sent by mail or~~
7 ~~by electronic document transfer from a representative of the department]~~, a wholesale motor vehicle
8 auction license holder must deliver a copy of the specified records to the address listed in the request.

9 (3) A wholesale motor vehicle auction license holder's complete record of each vehicle
10 purchase and sale shall, at a minimum, contain:

11 (A) the date of sale;

12 (B) the VIN;

13 (C) the name and address of the person selling the vehicle;

14 (D) the name and address of the person purchasing the vehicle;

15 (E) the dealer license number of both the selling dealer and the purchasing
16 dealer, unless either is exempt from holding a license;

17 (F) all information necessary to comply with the federal odometer disclosure
18 requirements in 49 CFR Part 580~~[Truth in Mileage Act]~~;

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(G) auction access documents, including the written authorization and revocation of authorization for an agent or employee, in accordance with §215.148 of this title (relating to Dealer Agents);

(H) invoices, bills of sale, checks, drafts, or other documents that identify the vehicle, the parties, or the purchase price;

(I) any information regarding the prior status of the vehicle such as the Reacquired Vehicle Disclosure Statement or other lemon law disclosures; and

(J) a copy of any written authorization allowing an agent of a dealer to enter the auction.

(k) Electronic records. A license holder may maintain a record in an electronic format if the license holder can print the record at the licensed location upon request by ~~a representative of~~ the department, except as provided by subsection (l) of this section.

(l) Use of department electronic titling and registration systems~~[webDEALER];~~ **[;]**

(1) webDEALER. A license holder utilizing the department's web-based title application known as webDEALER, as defined in §217.71 of this title (relating to Automated and Web-Based Vehicle Registration and Title Systems), must comply with §217.74 of this title (relating to Access to and Use of webDEALER). Original hard copy titles are not required to be kept at the licensed location~~[-]~~ but must be made available to the department upon request.

(2) License Plate System. A license holder must comply with §215.151 of this title **(relating to Buyer's License Plates General Use Requirements)** regarding requirements to enter **information into the department-designated electronic system for license plates.**

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1

2

3 215.147. Export Sales.

4 (a) Before selling a motor vehicle for export from the United States to another country, a dealer
5 must obtain a legible photocopy of the buyer's government-issued photo identification document. The
6 photo identification document must be issued by the jurisdiction where the buyer resides and be:

7 (1) a passport;

8 (2) a driver ~~[driver's]~~ license;

9 (3) a ~~[concealed handgun license or]~~ license to carry a handgun issued by the Texas
10 Department of Public Safety under Government Code, Chapter 411, Subchapter H;

11 (4) a national identification certificate or identity document; or

12 (5) other identification document containing the:

13 (A) name of the issuing jurisdiction;

14 (B) buyer's full name;

15 (C) buyer's foreign address;

16 (D) buyer's date of birth;

17 (E) buyer's photograph; and

18 (F) buyer's signature.

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(b) A dealer that sells a vehicle for export from the United States shall place a stamp on the title that includes the words "For Export Only" and includes the dealer's ~~[license holder's]~~ GDN. The stamp must be legible, in black ink, at least two inches wide, and placed on the:

(1) back of the title in all unused dealer reassignment spaces; and

(2) front of the title in a manner that does not obscure any names, dates, mileage statements, or other information printed on the title.

(c) In addition to the records required to be maintained by §215.144 of this title (relating to Vehicle Records), a dealer shall maintain, for each motor vehicle sold for export, a sales file record. The sales file record shall be made available for inspection and copying upon request by the department. The sales file record of each vehicle sold for export shall contain:

(1) a completed copy of the Texas Motor Vehicle Sales Tax Exemption Certificate for Vehicles Taken Out of State, indicating that the vehicle has been purchased for export to a foreign country;

(2) a copy of the front and back of the title of the vehicle, showing the "For Export Only" stamp and the GDN of the dealer; and

(3) if applicable, an Export-only Sales Record Form, listing each motor vehicle sold for export only.

(d) A dealer, at the time of sale of a vehicle for export, shall remove and destroy any license plate or registration insignia before transferring the vehicle. [:]

[(1) enter the information required by Transportation Code, §503.061 in the temporary tag database;]

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1 ~~[(2) designate the sale as "For Export Only"; and]~~

2 ~~[(3) issue a buyer's temporary tag, in accordance with Transportation Code, §503.063.]~~

3

4 215.150. Dealer Authorization to Issue License Plates ~~[Temporary Tags]~~.

5 (a) A dealer that holds a GDN must issue a Buyer's general issue license plate or set of license

6 plates for a vehicle type the dealer is authorized to sell to:

7 (1) a buyer of a new vehicle to be titled and registered in Texas unless the buyer has a

8 specialty, personalized, or other qualifying license plate eligible to be assigned to the vehicle with

9 approval of the department; or

10 (2) a buyer of a used vehicle to be titled and registered in Texas if a Buyer's general issue

11 license plate or set of license plates did not come with the vehicle and the buyer does not have a

12 specialty, personalized, or other qualifying license plate eligible to be assigned to the vehicle with

13 approval of the department. ~~[a dealer's temporary tag, buyer's temporary tag, or a preprinted Internet-~~

14 ~~down temporary tag for authorized purposes only for each type of vehicle the dealer is licensed to sell or~~

15 ~~lease. A converter that holds a converter's license under Occupations Code, Chapter 2301 may issue a~~

16 ~~converter's temporary tag for authorized purposes only.]~~

17 (b) A dealer that holds a GDN must issue a buyer's temporary license plate to an out-of-state

18 buyer for a vehicle that is to be registered in another state.

19 (c) ~~[(b)]~~ A dealer ~~[license holder]~~ may issue a license plate under Transportation Code §503.063

20 [an applicable dealer's temporary tag, buyer's temporary tag, or converter's temporary tag] until:

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(1) the department denies access to the license plate system ~~[temporary tag database]~~
under Transportation Code \$503.0633(f) ~~[\$503.0632(f)]~~ and \$224.58~~[\$215.505]~~ of this title (relating to
Denial of Dealer ~~[or Converter]~~ Access to License Plate System ~~[Temporary Tag System]~~);

(2) the dealer ~~[license holder]~~ issues the maximum number of license plates ~~[temporary
tags]~~ authorized under Transportation Code, \$503.0633(a)-(d) ~~[\$503.0632(a)-(d)]~~; or

(3) the GDN ~~[license]~~ is canceled, revoked, or suspended.

(c) A ~~[federal, state, or local]~~ governmental agency that is exempt under Transportation Code, §
[Section] 503.024 from the requirement to obtain a dealer general distinguishing number may issue a
Buyer's general issue license plate or set of license plates or a buyer's temporary license plate to the
buyer of a vehicle owned by the governmental agency unless the buyer has a specialty, personalized, or
other qualifying license plate that is eligible to be assigned to the vehicle with approval of the
department. ~~[[one tag or one preprinted Internet-down temporary tag] [temporary] buyer's temporary
tag, or one preprinted Internet-down temporary tag, in accordance with Transportation Code \$503.063.]~~
A governmental agency that issues a ~~[temporary buyer's]~~ Buyer's general issue or buyer's temporary
license plate ~~[tag, or preprinted Internet-down temporary tag,]~~ under this subsection:

(1) is subject to the provisions of Transportation Code, \$503.0631 and \$503.0671
~~[\$503.067]~~ applicable to a dealer; and

(2) is not required to charge the registration fee authorized under Transportation Code
\$503.063(g) and specified in \$215.155(g) of this title (relating to Buyer's License Plates).

(d) A dealer ~~[or converter]~~ is responsible for all use of and access to all license plates in the
dealer's possession and the license plate system ~~[the applicable temporary tag database]~~ under the
dealer's ~~[or converter's]~~ account, including access by any user or unauthorized person. Dealer ~~[and~~

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1 ~~converter~~ duties include monitoring license plate storage and issuance ~~[temporary tag usage]~~, managing
2 account access, and taking timely and appropriate actions to maintain license plate and system security,
3 including:

4 (1) establishing and following reasonable password policies, including preventing the
5 sharing of passwords;

6 (2) limiting authorized users to owners and bona fide employees with a business need to
7 access license plates and the license plate system ~~[database]~~;

8 (3) removing users who no longer have a legitimate business need to access the system;

9 (4) securing all license plates, including license plates assigned to vehicles in inventory,
10 dealer's license plates, and unissued buyer's license plates ~~[printed tags and destroying expired tags]~~, by
11 ~~[means such as]~~ storing license plates ~~[printed tags]~~ in one or more securely locked, substantially
12 constructed safes or steel cabinets bolted or affixed to the floor or wall of sufficient size to store all
13 dealer and buyer's license plates in a dealer's possession, ~~[areas]~~ and by promptly destroying void
14 license plates ~~[shredding or defacing expired tags]~~; and

15 (5) securing equipment used to access the license plate system. ~~[temporary tag database~~
16 ~~and print temporary tags.]~~

17
18 215.151. License Plate ~~[Temporary Tags,]~~ General Use Requirements ~~[, and Prohibitions]~~.

19 (a) If a buyer purchases a vehicle to be registered in Texas, a dealer must secure, or a
20 government agency may secure, a license plate or set of license plates to the vehicle in accordance with

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1 §217.27 of this title (relating to Vehicle Registration Insignia) and update the license plate system
2 accordingly.

3 (1) A dealer must secure, or a governmental agency may secure, a buyer-provided
4 license plate on the purchased vehicle if a buyer provides a specialty, personalized, or other qualifying
5 license plate that is eligible to be assigned to the vehicle with approval of the department and update
6 the license plate system accordingly.

7 (2) A dealer must issue a Buyer's general issue license plate or set of license plates to the
8 buyer if a buyer purchases a new vehicle from a dealer and the buyer does not have a specialty,
9 personalized, or other qualifying license plate to transfer to the vehicle.

10 (3) A dealer must issue, or a governmental agency may issue, a Buyer's general issue
11 license plate or set of license plates to a buyer purchasing a used vehicle if the vehicle does not have an
12 assigned license plate in the license plate system or the assigned license plate is missing or damaged and
13 the buyer does not have a specialty, personalized, or other qualifying license plate to transfer to the
14 vehicle.

15 [A dealer, governmental agency, or converter shall secure a temporary tag to a vehicle in the
16 license plate display area located at the rear of the vehicle, so that the entire temporary tag is visible and
17 legible at all times, including when the vehicle is being operated.]

18 (b) If a non-resident buyer purchases a vehicle to be titled and registered in another state, a
19 dealer must issue, or a governmental agency may issue, a buyer's temporary license plate and secure the
20 temporary license plate to the rear of a vehicle in accordance with §217.27 of this title (relating to
21 Vehicle Registration Insignia) and update the license plate system accordingly.

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1 ~~[A federal, state, or local governmental agency shall secure a temporary buyer's tag or~~
2 ~~preprinted Internet-down temporary tag issued under 215.150(c) of this title (relating to Authorization to~~
3 ~~Issue Temporary Tags) to a vehicle in the license plate display area located at the rear of the vehicle, so~~
4 ~~that the entire temporary tag is visible and legible at all times, regardless of whether the vehicle is being~~
5 ~~operated.]~~

6 (c) If a vehicle has an assigned Buyer's general issue license plate or set of license plates and the
7 buyer provides a specialty, personalized, or other qualifying license plate to transfer to the vehicle, a
8 dealer must remove and destroy the assigned Buyer's general issue plate or set of plates and update the
9 license plate system accordingly.

10 ~~All printed information on a temporary tag must be visible and may not be covered or~~
11 ~~obstructed by any plate holder or other device or material.]~~

12 (d) A dealer, including a wholesale dealer, must remove a Buyer's general issue license plate or
13 set of license plates from a purchased vehicle, store the license plate or set of license plates in a secure
14 location in accordance with §215.150(d) of this title (relating to Dealer Authorization to Issue License
15 Plates), and provide the license plate or set of license plates to the buyer that purchases the vehicle.

16 ~~A motor vehicle that is being transported using the full mount method, the saddle mount~~
17 ~~method, the tow bar method, or any combination of those methods in accordance with Transportation~~
18 ~~Code, §503.068(d), must have a dealer's temporary tag, a converter's temporary tag, or a buyer's~~
19 ~~temporary tag, whichever is applicable, affixed to the motor vehicle being transported.]~~

20
21 215.152. Obtaining Dealer-Issued Buyer's License Plates [Numbers for Issuance of Temporary Tags].

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(a) A dealer ~~[, a [federal, state, or local]]~~ or governmental agency ~~[, or a converter]~~ is required to have internet access to connect to ~~[the] webDEALER and the license plate system~~ ~~[temporary tag databases]~~ maintained by the department ~~and is responsible for verifying receipt of license plates in the license plate system.~~

(b) Except as provided by §215.157 of this title (relating to ~~Issuing License Plates When Internet Not Available~~ ~~[Advance Numbers, Preprinted Internet down Temporary Tags]~~), before a ~~license plate~~ ~~[temporary tag]~~ may be issued ~~or secured~~ ~~[and displayed]~~ on a vehicle, a dealer or ~~[, a [federal, state, or local]-governmental agency [, or converter]]~~ must ~~enter in the license plate system true and accurate information about:~~

(1) ~~[enter in the temporary tag database true and accurate information about]~~ the vehicle ~~[, dealer, converter, or]~~

~~(2) the buyer; [, as appropriate;]~~ and

~~(3) [(2) obtain] the license plate number issued or assigned to the vehicle [a specific number for the temporary tag].~~

(c) The department will inform each dealer annually of the maximum number of ~~buyer's license plates~~ ~~[the buyer's temporary tags]~~ the dealer is authorized to ~~obtain~~ ~~[issue]~~ during the calendar year under Transportation Code, ~~§503.063, including:~~

~~(1) an allotment of unassigned Buyer's general issue license plates or sets of license plates to be issued to a buyer of a vehicle that is to be titled and registered in Texas, and~~

~~(2) a separate allotment of buyer's temporary license plates to be issued to a non-resident buyer for a vehicle that will be registered and titled in another state. [§503.0632. The number of~~

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1 buyer's temporary tags allocated to each dealer by the department will be determined based on the
2 following formula:]

3 [(1) Sales data determined from the department's systems from the previous three fiscal
4 years. A dealer's base number will contain the sum of:]

5 [(A) the greater number of:]

6 [(i) in-state buyer's temporary tags issued in one fiscal year during the
7 previous three fiscal years; or]

8 [(ii) title transactions processed through the Registration and Title
9 System in one fiscal year during the previous three fiscal years; but]

10 [(iii) the amount will be limited to an amount that is not more than two
11 times the number of title transactions identified in subparagraph (ii) of this paragraph; and]

12 [(B) the addition of the greatest number of out-of-state buyer's temporary tags
13 issued in one fiscal year during the previous three fiscal years;]

14 [(2) the total value of paragraph (1) of this subsection will be increased by a multiplier
15 based on the dealer's time in operation giving a 10 percent increase in tags for each year the dealer has
16 been in operation up to 10 years;]

17 [(3) the total value of paragraph (2) of this subsection will be increased by a multiplier
18 that is the greater of:]

19 [(A) the dealer's actual growth rate percentage identified from the preceding
20 two fiscal years, calculated by the growth of the number of title transactions processed through the

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1 ~~Registration and Title System plus the growth of the number of out-of-state buyer's temporary tags~~
2 ~~issued, except that it may not exceed 200 percent; or]~~

3 ~~[(B) the statewide actual growth rate percentage identified from the preceding~~
4 ~~two fiscal years, calculated by the growth of the number of title transactions processed through the~~
5 ~~Registration and Title System plus the growth of the number of out-of-state buyer's temporary tags~~
6 ~~issued, not less than zero, to determine the buyer's temporary tag allotment; and]~~

7 ~~[(4) the department may increase the determined allotment of buyer's temporary tags~~
8 ~~for dealers in the state, in a geographic or population area, or in a county, based on:]~~

9 ~~[(A) changes in the market;]~~

10 ~~[(B) temporary conditions that may affect sales; and]~~

11 ~~[(C) any other information the department considers relevant.]~~

12 (d) ~~The department will calculate a dealer's maximum annual allotment of unassigned Buyer's~~
13 ~~general issue license plates and buyer's temporary license plates based on the following formula:~~
14 ~~[department will inform each dealer annually of the maximum number of agent temporary tags and~~
15 ~~vehicle-specific temporary tags the dealer is authorized to issue during the calendar year under~~
16 ~~Transportation Code §503.0632. The number of agent temporary tags and vehicle specific temporary~~
17 ~~tags allocated to each dealer by the department, for each tag type, will be determined based on the~~
18 ~~following formula:]~~

19 (1) ~~Vehicle title transfers, sales, or license plate issuance data determined from the~~
20 ~~department's systems from the previous fiscal year; [dealer temporary tag data for agent temporary tags~~
21 ~~and vehicle-specific temporary tags determined from the department's systems from the previous three~~

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1 ~~fiscal years. A dealer's base number will contain the maximum number of dealer temporary tags issued~~
2 ~~during the previous three fiscal years;~~

3 (2) the total value of paragraph (1) of this subsection will be increased by a multiplier
4 based on the dealer's time in operation giving a 10 percent increase ~~[in tags]~~ for each year the dealer has
5 been in operation up to 10 years; and

6 (3) the total value of paragraph (2) of this subsection will be increased by a multiplier
7 that is the greater of:

8 (A) the dealer's actual growth rate percentage identified from the preceding two
9 fiscal years, calculated by the growth of the number of in-state or out-of-state sales transactions
10 processed through the department-designated registration and title system or license plate system
11 ~~[dealer's temporary tags issued]~~, except that it may not exceed 200 percent; or

12 (B) the statewide actual growth rate percentage identified from the preceding
13 two fiscal years, calculated by the growth of the number of in-state or out-of-state sales transactions
14 processed through the department-designated registration and title system or license plate system
15 ~~[dealer's temporary tags issued]~~, not less than zero, to determine the dealer's annual ~~[temporary tag]~~
16 allotment; and

17 (4) the department may increase the annual ~~[a dealer's]~~ allotment ~~[of agent temporary~~
18 ~~tags and vehicle specific temporary tags]~~ for dealers in the state, in a geographic or population area, or in
19 a county, based on:

20 (A) changes in the market;

21 (B) temporary conditions that may affect sales; and

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(C) any other information the department considers relevant.

~~[(e) The department will inform each converter annually of the maximum number of temporary tags the converter is authorized to issue during the calendar year under Transportation Code §503.0632. The number of temporary tags allocated to each converter by the department will be determined based on the following formula:]~~

~~[(1) converter temporary tag data determined from the department's systems from the previous three fiscal years. A converter's base number will contain the maximum number of converter temporary tags issued during the previous three fiscal years;]~~

~~[(2) the total value of paragraph (1) of this subsection will be increased by a multiplier based on the converter's time in operation giving a 10 percent increase in tags for each year the dealer has been in operation up to 10 years; and]~~

~~[(3) the total value of paragraph (2) of this subsection will be increased by a multiplier that is the greater of:]~~

~~[(A) the converter's actual growth rate percentage identified from the preceding two fiscal years, calculated by the growth of the number of converter's temporary tags issued, except that it may not exceed 200 percent; or]~~

~~[(B) the statewide actual growth rate percentage identified from the preceding two fiscal years, calculated by the growth of the number of converter's temporary tags issued, not less than zero, to determine the converter's temporary tag allotment;]~~

~~[(4) the department may increase a converter's allotment of converter temporary tags for converters in the state, in a geographic or population area, or in a county, based on:]~~

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1 ~~[(A) changes in the market;]~~

2 ~~[(B) temporary conditions that may affect sales; and]~~

3 ~~[(C) any other information the department considers relevant.]~~

4 ~~(e)~~ ~~[(f)]~~ A dealer ~~[or converter that is]~~ licensed after the commencement of a calendar year shall
5 be ~~allocated~~ ~~[authorized to issue]~~ the number of ~~Buyer's general issue license plates or sets of plates~~ and
6 ~~buyer's temporary plates~~ ~~allocated~~ ~~[temporary tags allotted]~~ in this subsection prorated on all or part of
7 the remaining months until the commencement of the calendar year after the dealer's ~~[or converter's]~~
8 initial license expires. The initial allocations shall be as determined by the department in granting the
9 license, but not more than:

10 (1) ~~200 Buyer's general issue license plates or sets of plates and 100 buyer's temporary~~
11 ~~license plates~~ ~~[1,000 [600] temporary tags]~~ for a franchised dealer ~~[per each tag type, buyer's temporary~~
12 ~~tags, agent temporary tags, and vehicle specific tags,]~~ unless the dealer provides credible information
13 indicating that a greater number of buyer's license plates or sets of license plates is warranted based on
14 anticipated sales, and growth, to include new and used vehicle sales, including information from the
15 manufacturer or distributor, or as otherwise provided in this section. ~~[:]~~

16 ~~[(A) the dealer provides credible information indicating that a greater number of~~
17 ~~tags is warranted based on anticipated sales, and growth, to include new and used vehicle sales,~~
18 ~~including information from the manufacturer or distributor, or as otherwise provided in this section; and]~~

19 ~~[(B) if more than 1,000[600] temporary tags are determined to be needed based~~
20 ~~on anticipated sales and growth, the total number of temporary tags needed, including the 1,000[600],~~
21 ~~will be doubled;]~~

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(2) 100 Buyer's general issue license plates or sets of plates and 48 buyer's temporary license plates ~~[300 temporary tags]~~ for a nonfranchised dealer ~~[per each tag type, buyer's temporary tags, agent temporary tags, and vehicle specific tags,]~~ unless the dealer provides credible information indicating that a greater number of license plates or sets of license plates ~~[tags]~~ is warranted based on anticipated sales as otherwise provided in this section. ~~[, and]~~

~~[(3) A converter will be allocated 600 temporary tags, unless the converter provides credible information indicating that a greater number of tags is warranted based on anticipated sales, including information from the manufacturer or distributor, or as otherwise provided in this section.]~~

(f) [(g)] An existing dealer ~~[or converter]~~ that is:

(1) moving its operations from one location to a different location will continue with its allotment of Buyer's general issue license plates or sets of plates and buyer's temporary license plates ~~[temporary tags]~~ and not be allocated license plates ~~[temporary tags]~~ under subsection (e) [(f)] of this section;

(2) opening an additional location will receive a maximum allotment of buyer's general issue license plates or sets of plates and buyer's temporary license plates ~~[temporary tags]~~ based on the greater of the allotment provided to existing locations, including franchised dealers opening additional locations for different line-makes, or the amount under subsection (e) [(f)] of this section;

(3) purchased as a buy-sell ownership agreement will receive the maximum allotment of Buyer's general issue license plates or sets of plates and buyer's temporary license plates ~~[temporary tags]~~ provided to the location being purchased and not be allocated license plates ~~[temporary tags]~~ under subsection (e) [(f)] of this section; and

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1 (4) inherited by will or laws of descent will receive the maximum allotment of Buyer's
2 general issue license plates or sets of plates and buyer's temporary license plates [temporary tags]
3 provided to the location being inherited and not be allocated license plates [temporary tags] under
4 subsection (e) [(f)] of this section.

5 (g) [(h)] A new dealer [or converter] may also provide credible information supporting a request
6 for additional Buyer's general issue license plates or sets of plates and buyer's temporary license plates
7 [temporary tags] to the amount allocated under subsection (e) [(f)] of this section based on:

8 (1) franchised dealer, manufacturer, or distributor sales expectations;

9 (2) a change in GDN [license] required by death or retirement, except as provided in
10 subsection (f) [(g)] of this section;

11 (3) prior year's sales by a dealer [dealership] moving into the state; or

12 (4) other similar change of location or ownership that indicates some continuity in
13 existing operations.

14 (h) The annual allotment of Buyer's general issue license plates or sets of plates and buyer's
15 temporary license plates will each be divided by four and allocated to a dealer on a quarterly basis. A
16 dealer's remaining unissued license plates at the end of a calendar quarter will count towards the
17 dealer's next quarterly allotment.

18 (i) A dealer may request more Buyer's general issue license plates or sets of plates or buyer's
19 temporary license plates:

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(1) after using 50 percent of the quarterly allocation of Buyer's general issue plates or sets of plates or buyer temporary plates, a dealer may request an advance on the next quarter's allotment; or

(2) after [After] using 50 percent of the maximum annual allotment [number] of Buyer's general issue plates or sets of plates or buyer temporary plates [temporary tags], a dealer [or converter] may request an increase in the maximum annual allotment. [number of temporary tags]

(i) To receive more Buyer's general issue license plates or sets of plates or buyer's temporary license plates under subsection (i), a dealer must submit a request [by submitting a request] in the department's designated license plate system [eLICENSING system].

(k) A dealer requesting an increase in the maximum annual allotment of Buyer's general issue license plates or sets of plates or buyer's temporary license plates

[(1) The dealer or converter] must provide information demonstrating the need for additional license plates [temporary tags] results from business operations, including anticipated needs, as required by Transportation Code, §503.0633(c) [§503.0632(e)]. Information may include documentation of sales and tax reports filed as required by law, information of anticipated need, or other information of the factors listed in Transportation Code, §503.0633(b) [§503.0632(b)].

(1) [(2)] The department shall consider the information presented and may consider information not presented that may weigh for or against granting the request that the department in its sole discretion determines to be relevant in making its determination. Other relevant information may include information of the factors listed in Transportation Code, §503.0633(b) [§503.0632(b)], the timing of the request, and the requestor's [applicant's] license plate [temporary tag] activity.

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(2) [(3)] The department may allocate a lesser or greater number of additional license plates [temporary tags] than the amount requested ~~[by the dealer or converter]~~. Allocation of a lesser or greater number of additional license plates [temporary tags] is not a denial of the request. Allocation of additional license plates [temporary tags] under this paragraph does not limit the dealer's ~~[or converter's]~~ ability to submit additional requests for more license plates [temporary tags].

(3) [(4)] If a request is denied, the denial will be sent to the dealer [or converter] by email to the requestor's email address. ~~[a dealer or converter may appeal the denial to the Director of the Motor Vehicle Division whose decision is final.]~~

(A) A dealer [or converter] may appeal the denial to the designated director in the Vehicle Titles and Registration Division. ~~[Motor Vehicle Division Director. The denial will be sent to the license holder by email to the email used by the license holder in the request.]~~

(B) The appeal must be requested through the designated license plate system [eLICENSING system] within 15~~[10 business]~~ days of the date the department emailed the denial to the dealer [or converter]~~[the denial being sent to the department through the eLICENSING system]~~.

(C) The appeal may discuss information provided in the request but may not include additional information.

(D) The designated director in the Vehicle Titles and Registration Division ~~[Motor Vehicle Division Director]~~ will review the appeal [submission] and any additional statements concerning the information submitted in the original request and render an opinion within 15~~[10 business]~~ days of receiving the appeal. The designated director in the Vehicle Titles and Registration Division ~~[Motor Vehicle Division Director]~~ may decide to deny the appeal [request] and issue no additional license plates

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1 ~~[tags]~~ [,] or award an amount of additional license plates ~~[temporary tags]~~ that is lesser, equal to, or
2 greater than the request.

3 (E) The requesting dealer ~~[or converter]~~ ~~[license holder]~~ will be notified as
4 follows:

5 (i) If the designated director in the Vehicle Titles and Registration
6 Division ~~[Motor Vehicle Division Director]~~ ~~decides~~ ~~[has decided]~~ to deny the appeal, the department will
7 contact the requesting dealer ~~[license holder]~~ ~~[will be contacted]~~ by email regarding the decision and
8 options to submit a new request with additional relevant credible supporting documentation; or

9 (ii) If the designated director in the Vehicle Titles and Registration
10 Division ~~[Motor Vehicle Division Director]~~ ~~[has decided to]~~ awards an amount of additional license plates
11 ~~[temporary tags]~~ that is lesser, equal to, or greater than the request, the additional license plates
12 ~~[temporary tags]~~ will be added to the dealer's allocation ~~[or converter's]~~ ~~[license holders]~~ ~~[account]~~ and
13 the dealer ~~[license holder]~~ will be contacted by email regarding the decision, informed that the request
14 has not been denied, and options ~~[the license holder has]~~ to submit a new request.

15 (5) The designated director in the Vehicle Titles and Registration Division's decision on
16 appeal is final.

17 ~~(6)~~ ~~(5)~~ Once a denial is final, a dealer ~~[or converter]~~ may only submit a subsequent
18 request for additional license plates ~~[temporary tags]~~ during that calendar year if the dealer ~~[or~~
19 ~~converter]~~ is able to provide additional information not considered in a ~~[the]~~ prior request.

20 (1) ~~(4)~~ A change in the allotment under subsection (i) of this section does not create a dealer ~~[or~~
21 ~~converter]~~ base for subsequent year calculations.

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1 ~~(m) [(k)]~~ The department may at any time initiate an enforcement action against a dealer ~~[or~~
2 ~~converter]~~ if license plate system activity ~~[temporary tag usage]~~ suggests that misuse or fraud has
3 occurred as described in Transportation Code §503.0633(f) or §503.0671. ~~[[§§503.038, 503.0632(f), or~~
4 ~~503.067.]~~

5 ~~[(l) Unused temporary[dealer or converter] tag] allotments from a calendar year do not roll over~~
6 ~~to subsequent years.]~~

7

8 ~~[215.153. Specifications for All Temporary Tags.]~~

9 ~~[(a) Information printed or completed on a temporary tag must be in black ink on a white~~
10 ~~background. Other than for a motorcycle, a completed buyer's, dealer's, converter's, or preprinted~~
11 ~~Internet down temporary tag shall be six inches high and at least eleven inches wide. For a motorcycle,~~
12 ~~the completed buyer's, dealer's, converter's, or preprinted Internet down temporary tag shall be four~~
13 ~~inches high and at least seven inches wide.]~~

14 ~~[(b) A temporary tag must be:]~~

15 ~~[(1) composed of plastic or other durable, weather resistant material; or]~~

16 ~~[(2) sealed in a two mil clear poly bag that encloses the entire temporary tag.]~~

17 ~~[(c) A temporary tag may only be issued and printed from the department's temporary tag~~
18 ~~database as described in §215.152 of this title (relating to Obtaining Numbers for Issuance of Temporary~~
19 ~~Tags) and §215.157 of this title (relating to Advance Numbers, Preprinted Internet down Temporary~~
20 ~~Tags).]~~

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1

2 215.154. Dealer's Temporary License Plate Allocation [Tags].

3 (a) The number of dealer's temporary license plates a dealer may order for business use is based
4 on the type of license for which the dealer applied and the number of vehicles the dealer sold during the
5 previous year. [A dealer's temporary tag may be displayed only on the type of vehicle for which the GDN
6 is issued and for which the dealer is licensed by the department to sell or lease.]

7 (b) Unless otherwise qualified under this section, the maximum number of dealer's temporary
8 license plates the department will issue to a new license applicant during the applicant's first license
9 term is indicated in the following table.

10 Attached Graphic

11 [A wholesale motor vehicle auction license holder that also holds a dealer GDN may display a
12 dealer's temporary tag on a vehicle that is being transported to or from the licensed auction location.]

13 (c) A dealer that applies for a license is not subject to the initial allotment limits described in this
14 section and may rely on that dealer's existing allocation of dealer's temporary license plates if that
15 dealer is:

16 (1) A franchised dealership subject to a buy-sell agreement, regardless of a change in the
17 entity of ownership;

18 (2) Any type of dealer that is relocating and has been licensed by the department for a
19 period of one year or longer; or

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1 (3) any type of dealer that is changing its business entity type and has been licensed by
2 the department for a period of one year or longer.

3
4 ~~[When an unregistered vehicle is sold to another dealer, the selling dealer shall remove the selling~~
5 ~~dealer's temporary tag. The purchasing dealer may display its dealer's temporary tag or its [metal]~~
6 ~~dealer's standard or personalized prestige license plate on the vehicle.]~~

7 (d) A dealer may obtain more than the maximum number of dealer's temporary license plates
8 provided by this section by submitting to the department proof of sales for the previous 12-month
9 period that justifies additional license plates.

10 (1) The number of additional dealer's temporary license plates the department will issue
11 to a dealer that demonstrates need through proof of sales is indicated in the following table.

12 Attached Graphic

13 (2) For purposes of this section, proof of sales for the previous 12-month period may
14 consist of a copy of the most recent vehicle inventory tax declaration or monthly statements filed with
15 the taxing authority in the county of the dealer's licensed location. Each copy must be stamped as
16 received by the taxing authority.

17 ~~[A dealer's temporary tag:]~~

18 ~~[(1) may be displayed on a vehicle only as authorized in Transportation Code §503.062;~~
19 ~~and]~~

20 ~~[(2) may not be displayed on:]~~

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1 ~~[(A) a laden commercial vehicle being operated or moved on the public streets~~
2 ~~or highways;]~~

3 ~~[(B) on the dealer's service or work vehicles as described in §215.138(d) of this~~
4 ~~chapter (relating to Use of Dealer's License Plates);]~~

5 ~~[(C) a golf cart as defined under Transportation Code Chapter 551; or]~~

6 ~~[(D) an off-highway vehicle as defined under Transportation Code Chapter 551A.]~~

7 (e) A wholesale motor vehicle dealer may obtain more than the maximum number of dealer's
8 temporary license plates provided by this section by submitting to the department proof of the number
9 of vehicles the dealer has purchased in the previous 12-month period.

10 (1) Evidence of the wholesale motor vehicle dealer's vehicle purchases for the previous
11 12-month period must include the date of purchase, VIN of the vehicle purchased, and the selling
12 dealer's name, and any other information the department in its discretion deems necessary to
13 determine the need for additional dealer's temporary license plates for the wholesale motor vehicle
14 dealer.

15 (2) Upon review and approval of a wholesale motor vehicle dealer's proof of vehicle
16 purchases documentation, the department shall issue up to 5 additional dealer's temporary license
17 plates to the dealer.

18 ~~[For purposes of this section, a dealer's service or work vehicle includes:~~

19 ~~[(1) a vehicle used for towing or transporting other vehicles;]~~

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1 ~~[(2) a vehicle, including a light truck, used in connection with the operation of the~~
2 ~~dealer's shops or parts department;]~~

3 ~~[(3) a courtesy car on which a courtesy car sign is displayed;]~~

4 ~~[(4) a rental or lease vehicle; and]~~

5 ~~[(5) any boat trailer owned by a dealer or manufacturer that is used to transport more~~
6 ~~than one boat.]~~

7 (f) The Director of the Motor Vehicle Division may waive the dealer's temporary license plate
8 issuance restrictions if the waiver is essential for the continuation of the business. The director will
9 determine the number of dealer's temporary license plates the department will issue based on the
10 dealer's past sales, dealer's inventory, and any other factor the Director determines pertinent.

11 (1) A request for a waiver must be submitted to the director in writing and specifically
12 state why the additional dealer's temporary license plates are necessary for the continuation of the
13 dealer's business.

14 (2) A request for a waiver must be accompanied by proof of the dealer's sales for the
15 previous 12-month period, if applicable.

16 ~~[For purposes of subsection (d) of this section, a vehicle bearing a dealer's temporary tag is not~~
17 ~~considered a laden commercial vehicle when the vehicle is:]~~

18 ~~[(1) towing another vehicle bearing the same dealer's temporary tags; and]~~

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1 [(2) both vehicles are being conveyed from the dealer's place of business to a licensed
2 wholesale motor vehicle auction or from a licensed wholesale motor vehicle auction to the dealer's
3 place of business.]

4 ~~[(g) As used in this section, "light truck" has the meaning assigned by Transportation Code,~~
5 ~~§541.201.]~~

6 [(h)] A dealer's temporary tag may not be used to operate a vehicle for the personal use of a
7 dealer or a dealer's employee.

8 ~~[(i)] A dealer's temporary tag must show its expiration date, which must not exceed 60 days~~
9 ~~after the date the temporary tag was issued.]~~

10 [(h))((j))] A dealer's temporary tag may be issued by a dealer to a specific motor vehicle in the
11 dealer's inventory or to a dealer's agent who is authorized to operate a motor vehicle owned by the
12 dealer.]

13 ~~[(i)][(k)] A dealer that issues a dealer's temporary tag to a specific vehicle must ensure that the~~
14 ~~following information is placed on the temporary tag:~~

15 ~~[(1) the vehicle-specific number from the temporary tag database;]~~

16 [(2) the year and make of the vehicle;]

17 ~~[(3) the VIN of the vehicle;]~~

18 ~~[(4) the month, day, and year of the temporary tag's expiration; and]~~

19 ~~[(5) the name of the dealer.]~~

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1 ~~[(j)][(l)] A dealer that issues a dealer's temporary tag to an agent must ensure that the following~~
2 ~~information is placed on the temporary tag:~~

3 ~~[(1) the specific number from the temporary tag database;]~~

4 ~~[(2) the month, day, and year of the temporary tag's expiration; and]~~

5 ~~[(3) the name of the dealer.]~~

6
7 215.155. Buyer's License Plates ~~Temporary Tags~~.

8 (a) A dealer may issue and secure a buyer's Buyer's general issue license plate or set of plates or
9 a buyer's temporary license plate ~~temporary tag may be displayed~~ only on a vehicle:

10 ~~(1)~~ from the selling dealer's ~~seller's~~ inventory; and

11 ~~(2)~~ that can be legally operated on the public streets and highways; and

12 ~~(3)~~ for which a sale or lease has been consummated; ~~[-]~~ and

13 ~~(4)[(b) A buyer's temporary tag may be displayed only on a vehicle.]~~ that has a valid
14 inspection in accordance with Transportation Code Chapter 548, unless:

15 (a) an inspection is not required under Transportation Code §503.063(i) or (j); or

16 (b) the vehicle is exempt from inspection under Chapter 548.

17 (b) A dealer may not issue a Buyer's general issue or temporary license plate ~~temporary tag~~
18 ~~must~~ to the buyer of a vehicle that is to be titled but not registered. ~~[but the temporary tag must not be~~
19 ~~displayed on the vehicle.]~~

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(c) For a wholesale transaction:

(1) a dealer may not issue a buyer's license plate.

(A) A purchasing dealer places on the motor vehicle its own:

(i) [(1)] dealer's temporary license plate [tag]; or

(ii) [(2)] [metal] dealer's standard or personalized prestige license plate.

(2) if a Buyer's general issue plate or set of plates is assigned to a vehicle, the selling dealer must provide the license plate or set of plates to the purchasing dealer for placement on the vehicle at time of retail sale.

(d) A buyer's temporary license plate [tag] is valid until the earlier of:

(1) the date on which the vehicle is registered; or

(2) the 60th day after the date of purchase.

[(e) The dealer[,] or [federal, state, or local] governmental agency, must ensure that the following information is placed on a buyer's temporary tag[that the dealer issues]:]

[(1) the vehicle-specific number obtained from the temporary tag database;]

[(2) the year and make of the vehicle;]

[(3) the VIN of the vehicle;]

[(4) the month, day, and year of the expiration of the buyer's temporary tag; and]

[(5) the name of the dealer or [federal, state, or local] governmental agency.]

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(f) A dealer shall charge a buyer a fee of \$XX.XX ~~[\$5 for the buyer's temporary tag or Internet-down buyer's temporary tag issued]~~, unless the vehicle is exempt from payment of registration fees under Transportation Code, §502.453 or §502.456. ~~[A federal, state, or local governmental agency may charge a buyer a fee of \$5 for the buyer's temporary tag or Internet-down buyer's temporary tag issued, unless the vehicle is exempt from payment of registration fees under Transportation Code, §502.453 or §502.456.]~~ A dealer shall remit the fee ~~[shall be remitted by a dealer]~~ to the county ~~[in conjunction]~~ with the title transfer application ~~[, and, if collected, by a federal, state, or local governmental agency, to the county,]~~ for deposit to the credit of the Texas Department of Motor Vehicles fund. If ~~[, unless]~~ the vehicle is sold by a dealer to an out-of-state resident ~~[, in which case]~~:

(1) the dealer shall remit the entire fee to the department for deposit to the credit of the Texas Department of Motor Vehicles fund if payment is made through the department's electronic ~~[title]~~ system; or

(2) the dealer shall remit the fee to the county for deposit to the credit of the Texas Department of Motor Vehicles fund.

(g) A governmental agency may charge a buyer a fee of \$XX.XX [\$5] ~~[for the buyer's temporary tag or Internet-down buyer's temporary tag issued,]~~ unless the vehicle is exempt from payment of registration fees under Transportation Code, §502.453 or §502.456. If collected by a governmental agency, the fee must be sent to the county for deposit to the credit of the Texas Department of Motor Vehicles fund.

215.156. Buyer's License Plate ~~[Temporary Tag]~~ Receipt.

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- 1 A dealer [.] or [federal, state, or local] governmental agency [.] must print a buyer's license plate receipt
2 from the department's designated electronic system and provide the [a buyer's temporary tag] receipt to
3 the buyer of each vehicle for which a buyer's license plate or set of license plates is issued. [temporary
4 tag is issued, regardless of whether the buyer's temporary tag is issued using the temporary tag database
5 or if the tag is a preprinted Internet-down temporary tag. The dealer, or federal, state, or local]
6 governmental agency, may print the image of the buyer's temporary tag receipt issued from the
7 temporary tag database or create the form using the same information.] The dealer [.] or [federal, state,
8 or local] governmental agency, shall instruct the buyer to keep the original copy of the buyer's license
9 plate [temporary tag] receipt in the vehicle until the vehicle is registered in the buyer's name [and until
10 metal plates are affixed to the vehicle]. The buyer's license plate [temporary tag] receipt must include
11 the following information:
- 12 (1) the issue date of the buyer's license plate or set of plates [temporary tag];
- 13 (2) the year, make, model, body style, color, and VIN of the vehicle sold;
- 14 (3) the license plate [vehicle-specific temporary tag] number;
- 15 (4) [the expiration date of the temporary tag];
- 16 [(5)] the date of the sale;
- 17 (5) [(6)] the name of the issuing dealer and the dealer's license number or the name of
18 the issuing federal, state, or local governmental agency; [and]
- 19 (6) [(7)] the buyer's name and mailing address; and [.]
- 20 (7) the procedure by which the vehicle's registration insignia will be provided to the
21 buyer as required under Transportation Code, §503.0631.

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215.157. Issuing Buyer's License Plates and License Plate Receipts When Internet Not Available [Advance Numbers, Preprinted Internet down Temporary Tags].

[(a)] In accordance with Transportation Code, §503.0631(d), [a dealer, or a federal, state, or local governmental agency, may obtain an advance supply of preprinted Internet down temporary tags with specific numbers and buyer's temporary tag receipts to issue in lieu of buyer's temporary tags if the dealer is unable to access the internet.]

[(b) #] if a dealer[,] or [a federal, state, or local] governmental agency[,], is unable to access the internet at the time of a sale, the dealer[,] or [a federal, state, or local] governmental agency [, must complete the preprinted Internet down temporary buyer's tag and buyer's temporary tag receipt by providing details of the sale, signing the buyer's temporary tag receipt, and retaining a copy. The dealer, or a federal, state, or local governmental agency,] must document the issuance of a Buyer's general issue license plate or set of plates or a buyer's temporary license plate on a receipt form prescribed by the department and enter the required information regarding the sale in the license plate system [temporary tag database] not later than the close of the next business day. [that the dealer has access to the internet]. The buyer's license plate [temporary tag] receipt must include a statement that the dealer [, or a federal, state, or local] or governmental agency, has internet access but, at the time of the sale, the dealer [, or a federal, state, or local] or governmental agency, was unable to access the internet or the license plate system and meet the requirements in §215.156 of this title (relating to Buyer's License Plate Receipt) [temporary tag database].

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1 215.158. General Requirements for Buyer's License Plates [and Allocation of Preprinted Internet-down
2 Temporary Tag Numbers].

3 (a) The dealer [,] or [a federal, state, or local] governmental agency [,] is responsible for the
4 safekeeping of all license plates in the dealer's or governmental agency's possession consistent with the
5 requirements in §215.150 (relating to Dealer Authorization to Issue License Plates). [preprinted Internet-
6 down temporary tags and shall store them in a secure place, and promptly destroy any expired tags.] The
7 dealer [,] or [a federal, state, or local] governmental agency shall report any loss, theft, or destruction of a
8 buyer's license plate [preprinted Internet-down temporary tags] to the department in the system
9 designated by the department within 24 hours of discovering the loss, theft, or destruction.

10 (b) A dealer or governmental agency must return all buyer's license plates in the dealer's or
11 governmental agency's possession to the department within 10 days of closing the associated license or
12 within 10 days of the associated license being revoked, canceled, or closed by the department.

13 [A dealer, or a federal, state, or local governmental agency, may use a preprinted Internet-down
14 temporary tag up to 12 months after the date the preprinted Internet-down temporary tag is created. A
15 dealer, or a federal, state, or local governmental agency, may create replacement preprinted Internet-
16 down temporary tags up to the maximum allowed, when:]

17 [(1) a dealer, or a federal, state, or local governmental agency, uses one or more
18 preprinted Internet-down temporary tags and then enters the required information in the temporary tag
19 database after access to the temporary tag database is again available; or]

20 [(2) a preprinted Internet-down temporary tag expires.]

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1 ~~[(c) The number of preprinted Internet down temporary tags that a dealer, or federal, state, or~~
2 ~~local governmental agency, may create is equal to the greater of:]~~

3 ~~[(1) the number of preprinted Internet down temporary tags previously allotted by the~~
4 ~~department to the dealer or a federal, state, or local governmental agency;]~~

5 ~~[(2) 30; or]~~

6 ~~[(3) 1/52 of the dealer's, or federal, state, or local governmental agency's, total annual~~
7 ~~sales.]~~

8 ~~[(d) For good cause shown, a dealer, or a federal, state, or local governmental agency, may~~
9 ~~obtain more than the number of preprinted Internet down temporary tags described in subsection (c) of~~
10 ~~this section. The director of the Motor Vehicle Division of the department or that director's delegate may~~
11 ~~approve, in accordance with this subsection, an additional allotment of preprinted Internet down~~
12 ~~temporary tags for a dealer, or a federal, state, or local governmental agency, if the additional allotment~~
13 ~~is essential for the continuation of the dealer's, or a federal, state, or local governmental agency's,~~
14 ~~business. The director of the Motor Vehicle Division of the department, or a federal, state, or local~~
15 ~~governmental agency, or that director's delegate will base the determination of the additional allotment~~
16 ~~of preprinted Internet down temporary tags on the dealer's, or a federal, state, or local governmental~~
17 ~~agency's, past sales, inventory, and any other factors that the director of the Motor Vehicle Division of~~
18 ~~the department or that director's delegate determines pertinent, such as an emergency. A request for~~
19 ~~additional preprinted Internet down temporary tags must specifically state why the additional~~
20 ~~preprinted Internet down temporary tags are necessary for the continuation of the applicant's~~
21 ~~business.]~~

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1 ~~[(e) Preprinted Internet-down temporary tags created under subsection (c) of this section apply~~
2 ~~to the maximum tag limit established in §215.152 of this title (relating to Obtaining Numbers for~~
3 ~~Issuance of Temporary Tags) when the preprinted tag is entered into the temporary tag database as a~~
4 ~~sale.]~~

5
6 ~~[215.159. Converter's Temporary Tags.]~~

7 ~~[(a) A converter's temporary tag may be displayed only on the type of vehicle that the converter~~
8 ~~is engaged in the business of assembling or modifying.]~~

9 ~~[(b) A converter's temporary tag must show its expiration date, which may not be more than 60~~
10 ~~days after the date of its issuance.]~~

11 ~~[(c) A converter that issues a converter's temporary tag to a specific vehicle shall ensure that the~~
12 ~~following information is placed on the converter's temporary tag:]~~

13 ~~[(1) the vehicle-specific number from the temporary tag database;]~~

14 ~~[(2) the year and make of the vehicle;]~~

15 ~~[(3) the VIN of the vehicle;]~~

16 ~~[(4) the month, day, and year of expiration of the converter's temporary tag; and]~~

17 ~~[(5) the name of the converter.]~~

18
19 215.160. Duty to Identify Motor Vehicles Offered for Sale as Rebuilt.

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(a) For each motor vehicle a dealer displays or offers for retail sale and which the dealer knows has been a salvage motor vehicle as defined by Transportation Code, §501.091(15) and subsequently issued a [regular] title [subsequently issued under Transportation Code, §501.100], a dealer shall disclose in writing that the motor vehicle has been repaired, rebuilt, or reconstructed [and issued a title under Transportation Code, §501.100]. The written disclosure must:

(1) be visible from outside of the motor vehicle; and

(2) contain lettering that is reasonable in size, stating as follows: *"This motor vehicle has been repaired, rebuilt or, reconstructed after formerly being titled as a salvage motor vehicle."*

(b) Upon the sale of a motor vehicle which has been a salvage motor vehicle as defined by Transportation Code, §501.091(15) and subsequently issued a [regular] title [subsequently issued under Transportation Code, §501.100], a dealer shall obtain the purchaser's signature on the vehicle disclosure form or on an acknowledgement written in fourteen~~eleven~~ point or larger font that states as follows: *"I, (name of purchaser), acknowledge that at the time of purchase, I am aware that this vehicle has been repaired, rebuilt, or reconstructed and was formerly titled as a salvage motor vehicle."*

(c) The purchaser's acknowledgement as required in subsection (b) of this section may be incorporated in a Buyer's Order, a Purchase Order, or other disclosure document. This disclosure ~~does not~~ requires a separate signature.

(d) An original signed acknowledgement or vehicle disclosure form required by subsection (b) of this section ~~[or a signed vehicle disclosure form]~~ shall be given to the purchaser and a copy of the signed acknowledgement or vehicle disclosure form shall be retained by the dealer in the records of motor vehicles sales required by §215.144 of this title (relating to Vehicle Records). If the acknowledgement is

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incorporated in a Buyer's Order, a Purchase Order, or other disclosure document, a copy of that document must be given to the purchaser and a copy retained in the dealer's records in accordance with §215.144.

(e) This section does not apply to a wholesale motor vehicle auction.

SUBCHAPTER F. LESSORS AND LEASE FACILITATORS

43 TAC §§215.171–215.180

SUBCHAPTER E[F]. LESSORS AND LEASE FACILITATORS

215.178. Records Required for Vehicle Lessors and Vehicle Lease Facilitators.

(a) Purchase and leasing records. A vehicle lessor or vehicle lease facilitator must maintain a complete record of all vehicle purchases and sales **of leased vehicles** for at least one year after the expiration of the vehicle lease.

(1) Complete r[R]ecords reflecting vehicle lease transactions that occurred within the preceding 24 months must be maintained at the licensed location. Records for prior time periods may be kept off-site~~[-at a location within the same county or within 25 miles of the licensed location].~~

(2) Within 15 days of receipt of a request~~[-sent by mail or by electronic document transfer]~~ from a representative of the department, a vehicle lessor or vehicle lease facilitator must deliver a copy of the specified records to the address listed in the request.

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(b) Content of records for lease transaction. A complete record for a vehicle lease transaction must contain:

(1) the name, address, and telephone number of the vehicle lessor~~[-of the vehicle subject to the transaction];~~

(2) the name, mailing address, physical address, and telephone number of each vehicle lessee~~[-of the vehicle subject to the transaction];~~

(3) the name, address, telephone number, and license number of the lease facilitator~~[-of the vehicle subject to the transaction];~~

(4) the name, work~~[home]~~ address, and telephone number of each employee of the vehicle lease facilitator that handled the transaction;

(5) a complete description of the vehicle involved in the transaction, including the VIN;

(6) the name, address, telephone number, and GDN of the dealer selling the vehicle, as well as the franchised dealer license number ~~[of the dealer]~~ if the vehicle~~[-involved in the transaction]~~ is a new motor vehicle;

(7) the amount of fee paid to the vehicle lease facilitator or a statement that no fee was paid;

(8) a copy of the buyer's order and sales contract for the vehicle;

(9) a copy of the vehicle lease contract;

(10) a copy of all other contracts, agreements, or disclosures between the vehicle lease facilitator and the consumer lessee; and

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(11) a copy of the front and back of the manufacturer's statement of origin, manufacturer's certificate of origin, or the title of the vehicle, as applicable~~[if the vehicle involved in the transaction is a new motor vehicle.~~

(c) Content of records for sale of leased vehicle. A vehicle lessor's complete record for each vehicle sold at the end of a lease to a lessee, a dealer, or at a wholesale motor vehicle auction must contain:

(1) the date of the purchase;

(2) the date of the sale;

(3) the VIN;

(4) the name and address of the person selling the vehicle to the vehicle lessor;

(5) the name and address of the person purchasing the vehicle from the vehicle lessor;

(6) except for a purchase or sale where the Tax Code does not require payment of motor vehicle sales tax, a tax assessor-collector receipt marked paid;

(7) a copy of all documents, forms, and agreements applicable to a particular sale, including a copy of:

(A) the title application;

(B) the work-up sheet;

(C) the front and back of manufacturer's certificate of origin or manufacturer's statement of origin, unless the title is obtained through the electronic title system;

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1 (D) the front and back of the title, unless the title is obtained through the
2 electronic title system;

3 (E) the factory invoice;

4 (F) the sales contract;

5 (G) the retail installment agreement;

6 (H) the buyer's order;

7 (I) the bill of sale;

8 (J) any waiver;

9 (K) any other agreement between the seller and purchaser; and

10 (L) the purchaser's photo identification if sold to a lessee;

11 (8) a copy of the original manufacturer's certificate of origin, original manufacturer's
12 statement of origin, or title for motor vehicle offered for sale, or a properly stamped original
13 manufacturer's certificate of origin, original manufacturer's statement of origin, or original title for a
14 title transaction entered into the electronic titling system by a dealer;

15 (9) the monthly Motor Vehicle Seller Financed Sales Returns, if any; and

16 (10) if the vehicle sold is a motor home or a towable recreational vehicle subject to
17 inspection under Transportation Code, Chapter 548, a copy of the written notice provided to the buyer at
18 the time of the sale, notifying the buyer that the vehicle is subject to inspection requirements.

19 (d) Records of advertising. A vehicle lessor or vehicle lease facilitator must maintain a copy
20 of all advertisements, brochures, scripts, or an electronically reproduced copy in whatever medium

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appropriate, of promotional materials for a period of at least 18 months. Each copy is subject to inspection upon request by ~~[a representative of]~~ the department at the business ~~[of the license holder]~~ location during posted business hours.

(1) A vehicle lessor and a vehicle lease facilitator ~~[Vehicle Lessors and vehicle lease facilitators]~~ must comply with all federal and state advertising laws and regulations, including Subchapter ~~F~~H of this chapter (relating to Advertising).

(2) A vehicle lessor's or vehicle lease facilitator's advertising or promotional materials may not state or infer ~~[in any advertisement]~~, either directly or indirectly, that the business involves the sale of new motor vehicles.

~~(e)~~(d) Title assignments. Each certificate of title, manufacturer's certificate of origin, or other evidence of ownership for a vehicle that has been acquired by a vehicle lessor for lease must be properly assigned from the seller in the vehicle lessor's name.

~~(f)~~(e) Letters of representation or appointment. A letter of representation or appointment between a vehicle lessor and a vehicle lease facilitator ~~[with whom the vehicle lessor conducts business]~~ must be executed by both parties and maintained by each party.

~~(g)~~(f) Electronic records. Any record required to be maintained by a vehicle lessor or vehicle lease facilitator may be maintained in an electronic format, provided the electronic record can be printed at the licensed location or sent electronically upon department request ~~[for the record by a representative of the department]~~.

215.179. Change of Vehicle Lessor or Vehicle Lease Facilitator Status.

(a) Change of ownership. A vehicle lessor or vehicle lease facilitator that ~~[proposes to]~~ sells or assigns to another any interest in the licensed entity, whether a corporation or otherwise,

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1 provided the physical location of the licensed entity remains the same, shall notify the department
2 in writing within 10 days by filing an application to amend the license in the electronic system
3 designated by the department for licensing. If the sale or assignment of any portion of the business
4 results in a change of entity, then the purchasing or assignee entity must apply for and obtain a
5 new license by submitting a new license application in the electronic system designated by the
6 department for licensing. A publicly held corporation licensed as a vehicle lessor or vehicle lease
7 facilitator needs only inform the department of a change in ownership if one person or entity
8 acquires 10% or greater interest in the licensed entity by submitting a license amendment
9 application in the electronic system designated by the department for licensing.

10 (b) Change of operating status of business location. A license holder shall obtain
11 department approval prior to opening a satellite location or relocating an existing location, in
12 accordance with §215.176 of this title (relating to More than One Business Location) by
13 electronically submitting a new license application in the system designated by the department for
14 licensing and receiving electronic notice of approval prior to relocating or opening a satellite
15 location. A license holder must notify the department when closing an existing location or a
16 satellite location by electronically submitting a license amendment to close the license or close the
17 satellite location in the system designated by the department for licensing.

18
19 215.180. Required Notices to Lessees.

20 Vehicle lessors and vehicle lease facilitators shall provide notice of the complaint
21 procedures provided by Occupations Code, §~~§~~2301.204 and Subchapter M (relating to
22 Warranties: Rights of Vehicle Owners),~~[2301.601 – 2301.613]~~ to each lessee of a new motor vehicle
23 with whom they enter into a vehicle lease.

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SUBCHAPTER G. WARRANTY PERFORMANCE OBLIGATIONS

SUBCHAPTER H. ADVERTISING

43 TAC §§215.242, 215.244, 215.249, 215.250, 215.257, 215.261, 215.264, 215.268, and 215.270

SUBCHAPTER F[H]. ADVERTISING

215.270. Enforcement.

(a) The department may file a Notice of Department Decision against a license holder alleging a violation of an advertising provision pursuant to Occupations Code, §2301.203, provided the department can show:

(1) that the license holder who allegedly violated an advertising provision has received from the department a notice of an opportunity to cure the violation by certified mail, return receipt requested, in compliance with subsection (b) of this section; and

(2) that the license holder committed a subsequent violation of the same advertising provision.

(b) An effective notice of an opportunity to cure issued under subsection (a)(1) of this section must:

(1) state that the department has reason to believe that the license holder violated an advertising provision and must identify the provision;

(2) set forth the facts upon which the department bases its allegation of a violation; and

(3) state that if the license holder commits a subsequent violation of the same advertising provision, the department will formally file a Notice of Department Decision under §224.56 of this title (relating to Notice of Department Decision).

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(c) As a part of the cure procedure, the department may require a license holder who allegedly violated an advertising provision to publish a retraction notice to effect an adequate cure of the alleged violation.

A retraction notice must:

(1) appear in a newspaper of general circulation in the area in which the alleged violation occurred;

(2) appear in the portion of the newspaper devoted to motor vehicle advertising, if any;

(3) identify the date and the medium of publication, print, electronic, or other, in which the advertising alleged to be a violation appeared; and

(4) identify the alleged violation of the advertising provision and contain a statement of correction.

(d) A cure is made solely for the purpose of settling an allegation and is not an admission of a violation of these rules; Occupations Code, Chapter 2301; or other law.

Figure: 43 TAC §215.154(b)

<u>If a new license applicant is:</u>	<u>Maximum number of dealer's temporary license plates issued during the first license term is:</u>
<u>1. a franchised motor vehicle dealer</u>	<u>200</u>
<u>2. a franchised motorcycle dealer</u>	<u>50</u>
<u>3. an independent motor vehicle dealer</u>	<u>25</u>
<u>4. an independent motorcycle dealer</u>	<u>10</u>
<u>5. a franchised or independent travel trailer dealer</u>	<u>10</u>
<u>6. a trailer or semitrailer dealer</u>	<u>5</u>
<u>7. an independent mobility motor vehicle dealer</u>	<u>5</u>
<u>8. a wholesale motor vehicle dealer</u>	<u>10</u>

Figure: 43 TAC §215.154(d)

If a vehicle dealer is:	Maximum number of additional dealer's temporary license plates issued with a demonstrated need through proof of sales is:
1. A dealer selling 26 to 50 during the previous 12-month period	<u>5</u>
2. A dealer selling 51 to 100 during the previous 12-month period	<u>10</u>
3. A dealer selling 101 to 150 during the previous 12-month period	<u>15</u>
4. A dealer selling 151 to 199 during the previous 12-month period	<u>20</u>
5. A dealer selling 200-299 during the previous 12-month period	<u>25</u>
6. A dealer selling more than 300 vehicles during the previous 12-month period	<u>30</u>

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Note: The highlighted language reflects the draft changes to implement HB 718 and HB 3297. The other unhighlighted amendments reflect draft rule revisions identified by staff as part of a rule review of Chapter 217. The department plans to propose all of these draft amendments at the June 2024 board meeting.

SUBCHAPTER A. MOTOR VEHICLE TITLES

217.2. Definitions.

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

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

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

~~[(3) All-terrain vehicle or ATV--A motor vehicle as defined by Transportation Code, §551A.001, and designed primarily for recreational use. The term does not include a "utility vehicle" as defined by Transportation Code, §551A.001, or a self-propelled, motor-driven vehicle designed or marketed by the manufacturer primarily for non-recreational uses.]~~

(3)~~[(4)]~~ Bond release letter--Written notification from the United States Department of Transportation authorizing United States Customs to release the bond posted for a motor vehicle imported into the United States to ensure compliance with federal motor vehicle safety standards.

(4)~~[(5)]~~ Date of sale--The date of the transfer of possession of a specific vehicle from a seller to a purchaser.

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(5)[(6)] Division director--The director of the department's Vehicle Titles and Registration Division.

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

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

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

~~[(9) [(10)] House moving dolly--An apparatus consisting of metal beams and axles used to move houses. House moving dollies, by nature of their construction and use, actually form large semitrailers.]~~

(9) [(11)] Implements of husbandry--Implements of husbandry as defined by Transportation Code §541.201(6) ~~[Farm implements, machinery, and tools used in tilling the soil, including self-propelled machinery specifically designed or especially adapted for applying plant food materials or agricultural chemicals. This term does not include an implement unless it is designed or adapted for the sole purpose of transporting farm materials or chemicals. This term does not include any passenger car or truck. This term does include a towed vehicle that transports to the field and spreads fertilizer or agricultural chemicals; or a motor vehicle designed and adapted to deliver feed to livestock.]~~hou

(10) [(12)] Manufacturer's certificate of origin--A form prescribed by the department showing the original transfer of a new motor vehicle from the manufacturer to the

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original purchaser, whether importer, distributor, dealer, or owner and when presented with an application for title showing on appropriate forms prescribed by the department, each subsequent transfer between distributor and dealer, dealer and dealer, and dealer and owner.

~~(11)~~~~[(13)]~~ Moped--A motor vehicle as defined by Transportation Code, §541.201.

~~(12)~~~~[(14)]~~ Motor vehicle importation form--A declaration form prescribed by the United States Department of Transportation and certified by United States Customs that relates to any motor vehicle being brought into the United States and the motor vehicle's compliance with federal motor vehicle safety standards.

~~(13)~~~~[(15)]~~ Non-United States standard motor vehicle--A motor vehicle not manufactured in compliance with federal motor vehicle safety standards.

~~[(16)]~~ Obligor--An individual who is required to make payments under the terms of a support order for a child.]

~~[(15)]~~~~[(17)]~~ Off-highway vehicle--A motor vehicle as defined by Transportation Code, §551A.001.]

~~(14)~~~~[(18)]~~ Person--An individual, firm, corporation, company, partnership, or other entity.

~~[(17)]~~~~[(19)]~~ Recreational off-highway vehicle or ROV--A motor vehicle as defined by Transportation Code, §551A.001, and designed primarily for recreational use. The term does not include a "utility vehicle" as defined by Transportation Code, §551A. 101, or a self-propelled, motor-driven vehicle designed or marketed by the manufacturer primarily for non-recreational uses.]

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1 (15)[(20)] Safety certification label--A label placed on a motor vehicle by a
2 manufacturer certifying that the motor vehicle complies with all federal motor vehicle safety
3 standards.

4 [(21) Sand rail--A motor vehicle as defined by Transportation Code, §551A.001.]

5 (16)[(22)] Statement of fact--A written declaration that supports an application for
6 a title, that is executed by an involved party to a transaction involving a motor vehicle, and that
7 clarifies an error made on a title or other negotiable evidence of ownership. An involved party is
8 the seller, or an agent of the seller involved in the motor vehicle transaction. When a written
9 declaration is necessary to correct an odometer disclosure error, the signatures of both the seller
10 and buyer when the error occurred are required.

11 (17)[(23)] Title application--A form prescribed by the division director that reflects
12 the information required by the department to create a motor vehicle title record.

13 [24) Utility vehicle or UTV--A motor vehicle as defined by Transportation Code,
14 §551A.001, and designed primarily for utility use. The term does not include a "golf cart" as
15 defined by Transportation Code, §551.401, or a self-propelled, motor-driven vehicle designed or
16 marketed by the manufacturer primarily for non-utility uses.]

17 (18)[(25)] Verifiable proof--Additional documentation required of a vehicle owner,
18 lienholder, or agent executing an application for a certified copy of a title.

19 [(A) Individual applicant. If the applicant is an individual, verifiable proof
20 consists of a document listed in §217.7(b) of this Subchapter. [copy of a current photo
21 identification issued by this state or by the United States or foreign passport].

22 _____(B) Business applicant. If the applicant is a business, verifiable proof consists
23 of an original or copy of a letter of signature authority on letterhead, a business card, or employee

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~~identification and a copy of current photo identification issued by this state or by the United States
or foreign passport.]~~

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

217.3. Motor Vehicle Titles.

Unless otherwise exempted by law or this chapter, the owner of any motor vehicle that is
required to be titled, including any motor vehicle required to be registered in accordance with
Transportation Code Chapter 502, shall apply for a Texas title in accordance with Transportation
Code Chapter 501 or 731, or this subchapter.

(1) Motorcycles, autocycles, and mopeds.

~~[(A)]~~ The title requirements for a motorcycle, autocycle, and moped are the
same requirements prescribed for any motor vehicle.

~~[(B) A vehicle that meets the criteria for a moped under M[m]oped is
defined under Transportation Code §541.201(8).]~~

(2) Farm vehicles.

~~(A)[The term "motor vehicle" does not apply]~~to ~~[[i]]~~plements of
husbandry~~[-which]~~ may not be titled.

(B) Farm tractors owned by agencies exempt from registration fees in
accordance with Transportation Code §502.453, are required to be titled and registered with
"Exempt" license plates issued in accordance with Transportation Code §502.451.

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(C) ~~[Farm]~~ [t]ractors used as road tractors to mow rights of way or used to move commodities over the highway for hire are required to be registered and titled.

~~[(D) Owners of farm trailers and farm semitrailers with a gross weight of 34,000 pounds or less may apply for a Texas title. Owners of farm trailers and farm semitrailers with a gross weight in excess of 34,000 pounds shall apply for a Texas title. If a farm trailer or farm semitrailer with a gross weight of 34,000 pounds or less has been titled previously, any subsequent owner shall apply for a Texas title for the farm trailer or farm semitrailer.]~~

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

(4) Trailers, semitrailers, and house trailers. ~~Owners of trailers and semitrailers shall apply for a Texas title for any trailer or semitrailer with a gross weight in excess of 4,000 pounds. Owners of trailers and semitrailers with a gross weight of 4,000 pounds or less may apply for a Texas title.]~~ If a trailer or semitrailer with a gross weight of 4,000 pounds or less has been titled previously, any subsequent owner shall apply for a Texas title for the trailer or semitrailer. Travel ~~[House]~~ trailer-type vehicles must meet the criteria outlined in subparagraph (C) of this paragraph to be titled:

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

(B) Mobile office trailers, mobile oil field laboratories, and mobile oil field bunkhouses are not designed as dwellings, but are classified as commercial semitrailers and must be registered and titled as commercial semitrailers if operated on the public streets and highways.

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

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(i) A house trailer-type vehicle that is less than eight feet six inches in width or less than 45 feet in length is classified as a travel trailer and shall be registered and titled.

(ii) A camper trailer shall be titled as a house trailer and shall be registered with travel trailer license plates.

(iii) A recreational park model type trailer that is primarily designed as temporary living quarters for recreational, camping or seasonal use, is built on a single chassis, and is 400 square feet or less when measured at the largest horizontal projection when in the set up mode shall be titled as a house trailer and may be issued travel trailer license plates.

(5) Assembled vehicles. The title requirements for assembled vehicles are prescribed in Subchapter L of this title (relating to Assembled Vehicles).

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

(A) vehicles that are missing or are stripped of their motor, frame, or body, to the extent that the vehicle loses its original identity or makes the vehicle unsafe for on-road operation as determined by the department;

(B) vehicles designed by the manufacturer for on-track racing only;

(C) vehicles designed or determined by the department to be for off-highway use only, unless specifically defined as a "motor vehicle" in Transportation Code Chapter 501; or

(D) vehicles assembled, built, constructed, rebuilt, or reconstructed in any manner with:

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(i) a body or frame from a vehicle which is a "nonrepairable motor vehicle" as that term is defined in Transportation Code §501.091(9); or

(ii) a motor or engine from a vehicle which is flood damaged, water damaged, or any other term which may reasonably establish the vehicle from which the motor or engine was obtained is a loss due to a water related event.

217.4. Initial Application for Title.

(a) Time for application. A person must apply for the title not later than the 30th day after the date of assignment, except:

(1) in a seller-financed sale, the title must be applied for not later than the 45th day after the date the motor vehicle is delivered to the purchaser;

(2) a member of the armed forces or a member of a reserve component of the United States, a member of the Texas National Guard or of the National Guard of another state serving on active duty, must apply not later than the 60th day after the date of assignment of ownership; or

(3) as otherwise provided by Transportation Code, Chapter 501.

(b) Place of application. Except as otherwise provided by Transportation Code, Chapters 501 and 502, and by §217.84(a) of this title (relating to Application for Nonrepairable or Salvage Vehicle Title), when motor vehicle ownership is transferred, a title application must be filed with:

(1) the county tax assessor-collector in the county in which the applicant resides or in the county in which the motor vehicle was purchased or encumbered; or

(2) a county tax assessor-collector of a county who is willing to accept the application.

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(c) Information to be included on application. An applicant for an initial title must file an application on a form prescribed by the department. The form will at a minimum require the:

(1) motor vehicle description including, but not limited to, the motor vehicle:

(A) year;

(B) make;

(C) identification number;

(D) body style; and

(E) empty weight;

(2) license plate number, if the motor vehicle is subject to registration under Transportation Code, Chapter 502;

(3) odometer reading and brand, or the word "exempt" if the motor vehicle is exempt from federal and state odometer disclosure requirements;

(4) previous owner's legal name and municipality and state, if available;

(5) legal name as stated on the identification presented and complete address of the applicant;

(6) name and mailing address of any lienholder and the date of lien, if applicable;

(7) signature of the seller of the motor vehicle or the seller's authorized agent and the date the title application was signed; and

(8) signature of the applicant or the applicant's authorized agent and the date the title application was signed.

(d) Accompanying documentation. The title application must be supported by, at a minimum, the following documents:

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(1) evidence of vehicle ownership, as described in §217.5 of this title (relating to Evidence of Motor Vehicle Ownership);

(2) an odometer disclosure statement properly executed by the seller of the motor vehicle and acknowledged by the purchaser, if applicable;

(3) proof of financial responsibility in the applicant's name, as required by Transportation Code, §502.046, unless otherwise exempted by law;

(4) a vehicle last registered or titled in another state, in accordance with [inspection report if required by Transportation Code, Chapter 548, and] Transportation Code, §501.030, verification of the vehicle identification number by a process prescribed on a form by the department for the applicant to self-certify the vehicle identification number if the vehicle is not subject to Transportation Code, Chapter 548 [and if the vehicle is being titled and registered, or registered only];

(5) a release of any liens, provided that if any liens are not released, they will be carried forward on the new title application. [with the following limitations:

(A) A lien recorded on out-of-state evidence as described in §217.5 will be cannot] be carried forward to a Texas title when there is a transfer of ownership, unless a release of lien or authorization from the lienholder is attached; and

————— (B) A lien recorded on out-of-state evidence as described in §217.5 is not required to be released when there is no transfer of ownership from an out-of-state title and the same lienholder is being recorded on the Texas application as is recorded on the out-of-state title;]

and

(6) any documents required by §217.9 of this title (relating to Bonded Titles).

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1 217.5. Evidence of Motor Vehicle Ownership.

2 (a) Evidence of motor vehicle ownership properly assigned to the applicant must
3 accompany the title application. Evidence must include, but is not limited to, the following
4 documents.

5 (1) New motor vehicles. A manufacturer's certificate of origin assigned by the
6 manufacturer or the manufacturer's representative or distributor to the original purchaser is
7 required for a new motor vehicle that is sold or offered for sale.

8 (A) The manufacturer's certificate of origin must be in the form prescribed
9 by the department and must contain, at a minimum, the following information:

10 (i) manufacturer's name on the face of the manufacturer's
11 certificate of origin;

12 (ii) ~~(i)~~ motor vehicle description including, but not limited to, the
13 motor vehicle year, make, ~~model~~, identification number, and body style;

14 (iii) ~~(ii)~~ the empty or shipping weight;

15 (iv) ~~(iii)~~ the gross vehicle weight when the manufacturer's
16 certificate of origin is invoiced to a licensed Texas motor vehicle dealer and is issued for
17 commercial motor vehicles as that term is defined in Transportation Code, Chapter 502;

18 (v) ~~(iv)~~ a statement identifying a motor vehicle designed by the
19 manufacturer for off-highway use only;

20 (vi) if the vehicle is a motor bus, the manufacturer must show the
21 seating capacity (number of passengers) of the motor bus on the manufacturer's certificate; and

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1 (vii) ~~(iv)~~ if the vehicle is a "neighborhood electric vehicle," a
2 statement that the vehicle meets Federal Motor Vehicle Safety Standard 500 (49 C.F.R. §571.500)
3 for low-speed vehicles.

4 (B) When a motor vehicle manufactured in another country is sold directly
5 to a person other than a manufacturer's representative or distributor, the manufacturer's
6 certificate of origin must be assigned to the purchaser by the seller.

7 (2) Used motor vehicles. A title issued by the department, a title issued by another
8 state if the motor vehicle was last registered and titled in another state, or other evidence of
9 ownership including documents evidencing a transfer of motor vehicle ownership as listed in
10 Transportation Code §501.074(a)(1)-(5), and lien foreclosure documents must be relinquished in
11 support of the title application for any used motor vehicle. A registration receipt is required from a
12 vehicle owner coming from a state that no longer titles vehicles after a certain period of time. A
13 bill of sale is acceptable evidence of ownership in the following situations:

14 (A) to accompany an out of state or out of country registration receipt that
15 does not provide a transfer of ownership section;

16 (B) for an out of state title when all dealer reassignment sections have been
17 completed and the issuing state does not utilize supplemental dealer reassignment forms; and

18 (C) with operation of law transfers, with component parts utilized to
19 rebuild, reconstruct, or assemble motor vehicles, and with non-titled Texas or out of state
20 vehicles.]

21 (3) Evidence of Ownership for Purpose of Identification Number Assignment or
22 Reassignment. An applicant for assignment or reassignment of an identification number under
23 Transportation Code §501.033 who is unable to produce evidence of ownership under this section,

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1 may file a bond with the department in accordance with Transportation Code §501.053 and §217.9
2 of this title (relating to Bonded Titles). The bond will serve as evidence of ownership for purposes
3 of §501.033(b).

4 (4) Motor vehicles brought into the United States. An application for title for a
5 motor vehicle last registered or titled in a foreign country must be supported by documents
6 including, but not limited to, the following:

7 (A) the motor vehicle registration certificate or other verification issued by
8 a foreign country reflecting the name of the applicant as the motor vehicle owner, or reflecting
9 that legal evidence of ownership has been legally assigned to the applicant;

10 (B) the identification number inspection required under Transportation
11 Code §501.032(a)(2), except as provided in §501.032(b); and

12 (C) for motor vehicles that are less than 25 years old, proof of compliance
13 with United States Department of Transportation (USDOT) regulations including, but not limited to,
14 the following documents:

15 (i) the original bond release letter with all attachments advising that
16 the motor vehicle meets federal motor vehicle safety requirements or a letter issued by the
17 USDOT, National Highway Traffic Safety Administration, verifying the issuance of the original bond
18 release letter;

19 (ii) a legible copy of the motor vehicle importation form validated
20 with ~~a [an] [original United States Customs stamp, date, and]~~signature as filed with the USDOT
21 confirming the exemption from the bond release letter required in clause (i) of this subparagraph,
22 or a copy thereof certified by United States Customs;

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(iii) a verification of motor vehicle inspection by United States Customs certified on its letterhead and signed by its agent verifying that the motor vehicle complies with USDOT regulations;

(iv) a written confirmation that a physical inspection of the safety certification label has been made by the department and that the motor vehicle meets United States motor vehicle safety standards;

(v) the original bond release letter, verification thereof, or written confirmation from the previous state verifying that a bond release letter issued by the USDOT was relinquished to that jurisdiction, if the non-United ~~[non-United]~~ States standard motor vehicle was last titled or registered in another state for one year or less; or

(vi) verification from the vehicle manufacturer on its letterhead stationery.

(b) Alterations to documentation. An alteration to a registration receipt, title, manufacturer's certificate, or other evidence of ownership constitutes a valid reason for the rejection of any transaction to which altered evidence is attached.

(1) Altered lien information on any surrendered evidence of ownership requires a release from the original lienholder or a statement from the proper authority of the state in which the lien originated. The statement must verify the correct lien information.

(2) A strikeover that leaves any doubt about the legibility of any digit in any document will not be accepted.

(3) A corrected manufacturer's certificate of origin will be required if the manufacturer's certificate of origin contains an:

(A) incomplete or altered vehicle identification number;

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1 (B) alteration or strikeover of the vehicle's model year;

2 (C) alteration or strikeover to the body style, or omitted body style on the
3 manufacturer's certificate of origin; or

4 (D) alteration or strikeover to the weight.

5 (4) A § [S]tatement of f [F]act may be requested to explain errors, corrections, or
6 conditions from which doubt does or could arise concerning the legality of any instrument. A §
7 [S]tatement of f [F]act will be required in all cases:

8 (A) in which the date of sale on an assignment has been erased or altered in
9 any manner; or

10 (B) of alteration or erasure on a Dealer's Reassignment of Title.

11 (c) Rights of survivorship. A signed "rights of survivorship" agreement may be executed by
12 a natural person acting in an individual capacity in accordance with Transportation Code,
13 §501.031.

14 (d) Identification required.

15 (1) An application for title is not acceptable unless the applicant presents a current
16 photo identification of the owner containing a unique identification number and expiration date.

17 The identification document must be a:

18 (A) driver's license or state identification certificate issued by a state or
19 territory of the United States;

20 (B) United States or foreign passport;

21 (C) United States military identification card;

22 (D) North Atlantic Treaty Organization identification or identification issued
23 under a Status of Forces Agreement;

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1 (E) United States Department of Homeland Security, United States
2 Citizenship and Immigration Services, or United States Department of State identification
3 document; or

4 (F) ~~[concealed handgun license or]~~ [] license to carry a handgun issued by
5 the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

6 (2) If the motor vehicle is titled in:

7 (A) more than one name, then the identification of one owner must be
8 presented;

9 (B) the name of a leasing company, then:

10 (i) proof of the Federal Employer Identification Number/Employee
11 Identification Number (FEIN/EIN) of the leasing company must be submitted, written on the
12 application, and can be entered into the department's titling system. The number must correspond
13 to the name of the leasing company in which the vehicle is being titled; and

14 (ii) the leasing company may submit:

15 (I) a government issued photo identification, required under
16 paragraph (1) of this subsection, of the lessee listed as the registrant; or

17 (II) a government issued photo identification, required under
18 paragraph (1) of this subsection, of the employee or authorized agent who signed the application
19 for the leasing company, and the employee's or authorized agent's employee identification, letter
20 of authorization written on the lessor's letterhead, or a printed business card. The printed business
21 card, employee identification, or letter of authorization written on the lessor's letterhead must
22 contain the name of the lessor, and the employee's or authorized agent's name must match the
23 name on the government issued photo identification;

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(C) the name of a trust, then a government issued photo identification, required under paragraph (1) of this subsection, of a trustee must be presented; or

(D) the name of a business, government entity, or organization, then:

(i) proof of the Federal Employer Identification Number/Employee Identification Number (FEIN/EIN) of the business, government entity, or organization must be submitted, written on the application, and can be entered into the department's titling system. The number must correspond to the name of the business, government entity, or organization in which the vehicle is being titled;

(ii) the employee or authorized agent must present a government issued photo identification, required under paragraph (1) of this subsection; and

(iii) the employee's or authorized agent's employee identification; letter of authorization written on the business', government entity's, or organization's letterhead; or a printed business card. The printed business card, employee identification, or letter of authorization written on the business', government entity's, or organization's letterhead must contain the name of the business, governmental entity, or organization, and the employee's or authorized agent's name must match the name on the government issued photo identification.

(3) In addition to the requirements of paragraphs (1) and (2) of this subsection, if a power of attorney is being used to apply for a title, then the applicant must show:

(A) identification, required under paragraph (1) of this subsection, matching the person named as power of attorney; or

(B) identification, required under paragraph (1) of this subsection, and employee identification or a printed business card or authorization written on the letterhead of

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the entity named as power of attorney that matches the identification of the employee if the power of attorney names an entity.

(4) Within this subchapter, "current" is defined as not to exceed 12 months after the expiration date, except that a state-issued personal identification certificate issued to a qualifying person is considered current if the identification states that it has no expiration.

(5) Within this subsection, an identification document such as a printed business card, letter of authorization, or power of attorney, may be an original or a photocopy.

(6) A person who holds a general distinguishing number issued under Transportation Code, Chapter 503 [~~or Occupations Code, Chapter 2301~~] is exempt from submitting to the county tax assessor-collector, but must retain:

(A) the owner's identification, as required under paragraph (1) of this subsection; and

(B) authorization to sign, as required under paragraph (2) of this subsection.

(7) A person who holds a general distinguishing number issued under Transportation Code, Chapter 503 [~~or Occupations Code, Chapter 2301~~], is not required to submit photo identification or authorization for an employee or agent signing a title assignment with a secure power of attorney.

217.6. Title Issuance.

(a) Issuance. The department or its designated agent will issue a receipt and process the application for title on receipt of:

(1) a completed application for title;

(2) required accompanying documentation;

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(3) the statutory fee for a title application, unless exempt under:

(A) Transportation Code, §501.138; or

(B) Government Code, §437.217 and copies of official military orders are presented as evidence of the applicant's active duty status and deployment orders to a hostile fire zone; and

(4) any other applicable fees.

(b) Titles. The department will issue and mail or deliver a title to the applicant or, in the event that there is a lien disclosed in the application, to the first lienholder unless the title is an electronic record of title.

(c) Receipt. The receipt issued at the time of application for title may be used only as evidence of title and may not be used to transfer any interest or ownership in a motor vehicle or to establish a new lien.

(d) The department shall place a hold on processing a title application for a motor vehicle if the department receives a request for a hold accompanied by evidence of a legal action regarding ownership of or a lien interest in the motor vehicle. The hold shall continue until a final, nonappealable judgment is entered in the action or the party requesting the hold requests that the hold be removed.

(1) Evidence of a legal action regarding ownership of or a lien interest in a motor vehicle means evidence showing a legal action regarding ownership of or a lien interest in a motor vehicle filed in a district, county, statutory probate court, or bankruptcy court.

(2) Legal actions filed in a justice of the peace or municipal courts do not qualify as evidence for purposes of this section unless the case is related to Chapter 47, Code of Criminal Procedure, or Section 27.031, Government Code.

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1 (3) Legal actions regarding ownership of or a lien interest in a motor vehicle must
2 be active on a court's docket. If a legal action has been resolved through a final nonappealable
3 judgment, evidence of post-judgment legal actions must be presented to remove a hold on
4 processing a title.

5
6 (4) Temporary Hold- The department shall place a ten-day temporary hold on
7 processing a title in order to allow a party time to gather and present evidence of a legal action for
8 a standard title processing hold. Parties seeking to obtain a 10-day temporary hold must present
9 the VIN of the vehicle for which the hold is sought and an explanation of why the hold is being
10 requested.

11
12 (5) Final Nonappealable Judgment- A final nonappealable judgement is a judgment
13 where 30 days have passed from the day the judgment was entered without a notice of appeal
14 being filed. If an appeal is perfected more than 30 days after the date of the original appeal, in
15 accordance with Texas Rules of Appellate Procedure 26.1, a party may use the appeal as evidence
16 of a legal action regarding ownership of or a lien interest in a motor vehicle for purposes of
17 obtaining a new title processing hold.

18
19
20 217.7. Replacement of Title.

21 (a) Lost or destroyed title. If a title is lost or destroyed, the department will issue a certified
22 copy of the title to the owner, the lienholder, or a verified agent of the owner or lienholder in

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accordance with Transportation Code, Chapter 501, on proper application and payment of the appropriate fee to the department.

(b) Identification required.

(1) An owner or lienholder may not apply for a certified copy of title unless the applicant presents a current photo identification of the owner or lienholder containing a unique identification number and expiration date. Within this subchapter, "current" is defined as within 12 months after the expiration date, except that a state-issued personal identification certificate issued to a qualifying person is considered current if the identification states that it has no expiration. The identification document must be a:

(A) driver's license or state identification certificate issued by a state or territory of the United States;

(B) United States or foreign passport;

(C) United States military identification card;

(D) North Atlantic Treaty Organization identification or identification issued under a Status of Forces Agreement;

(E) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document; or

(F) ~~concealed handgun license or~~ [!] license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(2) If the motor vehicle is titled in:

(A) more than one name, then the identification for each owner must be presented;

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(B) the name of a leasing company, then the lessor's employee or authorized agent who signed the application for the leasing company must present:

(i) a government issued photo identification, required under paragraph (1) of this subsection; and

(ii) employee identification, letter of authorization written on the lessor's letterhead, or a printed business card. The printed business card, employee identification, or letter of authorization written on the lessor's letterhead must contain the name of the lessor, and the employee's or authorized agent's name must match the name on the government issued photo identification;

(C) the name of a trust, then a government issued photo identification, required under paragraph (1) of this subsection, of a trustee must be presented; or

(D) the name of a business, government entity, or organization, then:

(i) the employee or authorized agent must present a government issued photo identification, required under paragraph (1) of this subsection; and

(ii) the employee's or authorized agent's employee identification; letter of authorization written on the business', government entity's, or organization's letterhead; or a printed business card. The printed business card, employee identification, or letter of authorization written on the business', government entity's, or organization's letterhead must contain the name of the business, governmental entity, or organization, and the employee's or authorized agent's name must match the name on the government issued photo identification.

(3) In addition to the requirements of paragraphs (1) and (2) of this subsection, if a power of attorney is being used to apply for a certified copy of title, then the applicant must show:

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(A) identification, required under paragraph (1) of this subsection, matching the person named as power of attorney;

(B) identification, required under paragraph (1) of this subsection, and employee identification or a printed business card or authorization written on the letterhead of the entity named as power of attorney that matches the identification of the employee if the power of attorney names an entity; or

(C) identification, required under paragraph (1) of this subsection, of the owner or lienholder.

~~[(4) Within this subchapter, "current" is defined as within 12 months after the expiration date, except that a state issued personal identification certificate issued to a qualifying person is considered current if the identification states that it has no expiration.]~~

(5) Within this subsection, an identification document, such as a printed business card, letter of authorization, or power of attorney, may be an original or a photocopy.

(c) Issuance. An application for a certified copy must be properly executed and supported by appropriate verifiable proof of the vehicle owner, lienholder, or agent regardless of whether the application is submitted in person or by mail. A certified copy will not be issued until after the 14th day that the original title was issued.

(d) Denial. If issuance of a certified copy is denied, the applicant may resubmit the request with the required verifiable proof or may pursue the privileges available in accordance with Transportation Code, §501.052 and §501.053.

(e) Additional copies. An additional certified copy will not be issued until 30 days after issuance of the previous certified copy.

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(f) Fees. The fee for obtaining a certified copy of a title is \$2 if the application is submitted to the department by mail and \$5.45 if the application is submitted in person for expedited processing at one of the department's regional offices.

217.8. Second Hand Vehicle Transfers.

(a) Voluntary notification. A transferor, other than a dealer who holds a general distinguishing number, of a motor vehicle may voluntarily make written notification to the department of the sale of the vehicle, in accordance with Transportation Code, §501.147. The written notification may be submitted to the department by mail, in person at one of the department's regional offices, or electronically through the department's Internet website.

(b) Required notification. A dealer who holds a general distinguishing number is required to submit a vehicle transfer notification to the department in accordance with Transportation Code, §501.147 upon the sale or transfer of a motor vehicle to the dealer.

c[(b)] Records. On receipt of written notice of transfer from the transferor of a motor vehicle or dealer who holds a general distinguishing number, the department will mark its records to indicate the date of transfer and will maintain a record of the information provided on the written notice of transfer.

d[(c)] Title issuance. A title will not be issued in the name of a transferee until the transferee files an application for the title as described in this subchapter.

217.9 Bonded Titles

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(a) Who may file. A person who has an interest in a motor vehicle to which the department has refused to issue a title or has suspended or revoked a title may request issuance of a title from the department on a prescribed form if the vehicle is in the possession of the applicant; and

(1) there is a record that indicates a lien that is less than ten years old and the applicant ~~[surety bonding company ensures lien satisfaction or]~~ provides a release of all liens and bond];

(2) there is a record that indicates there is not a lien or the lien is ten or more years old; or

(3) the department has no previous motor vehicle record.

(b) Administrative fee. The applicant must pay the department a \$15 administrative fee in addition to any other required fees.

(c) Value. The amount of the bond must be equal to one and one-half times the value of the vehicle as determined under Tax Code §152.0412 regarding Standard Presumptive Value (SPV). If the SPV is not available, then a national reference guide will be used. If the value cannot be determined by the department through either source, then the person may obtain an appraisal. If a motor vehicle is 25 years or older, a person may obtain an appraisal to determine the value instead of using a national reference guide.

(1) The appraisal must be on a form specified by the department from a Texas licensed motor vehicle dealer for the categories of motor vehicles that the dealer is licensed to sell or a Texas licensed insurance adjuster who may appraise any type of motor vehicle.

(2) The appraisal must be dated and be submitted to the department within 30 days of the appraisal.

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(3) If the motor vehicle is 25 years or older and the appraised value of the vehicle is less than \$4,000, the bond amount will be established from a value of \$4,000.

(4) If the motor vehicle is a trailer or semitrailer, the person may, as an alternative to an appraisal, have the bond amount established from a value of:

(A) \$4,000, if under 20 feet in length, or

(B) \$7,000, if 20 or more feet in length.

(d) Vehicle identification number inspection. If the department has no motor vehicle record for the vehicle, the vehicle identification number must be verified by an inspection under Transportation Code §501.0321.

(e) Required documentation. An applicant may apply for a bonded title if the applicant submits:

(1) any evidence of ownership;

(2) the original bond within 30 days of issuance;

(3) the notice of determination within one year of issuance and the receipt for \$15 paid to the department;

(4) the documentation determining the value of the vehicle;

(5) proof of the vehicle identification number inspection, as described in subsection (d) of this section, if the department has no motor vehicle record for the vehicle;

(6) a weight certificate if the weight cannot otherwise be determined;

(7) ~~a certification of lien satisfaction by the surety bonding company, or~~ a release of lien, if the notice of determination letter states that there may be a lien is less than ten years old; and

(8) any other required documentation and fees.

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(f) Report of Judgment. The bond must require that the surety report payment of any judgment to the department within 30 days.

217.11. Rescission, Cancellation or Revocation by Affidavit.

(a) Under Transportation Code §501.051(b), t[he] department may rescind, cancel, or revoke an existing title or application for a title if a notarized or county stamped affidavit is completed and presented to the department within 90 days of initial sale containing all of the information required by Transportation Code §501.051(b)(1)-(4).[:]

~~[(1) a statement that the vehicle involved was a new motor vehicle in the process of a first sale;~~

~~_____ (2) a statement that the dealer, the applicant, and any lienholder have canceled the sale;~~

~~_____ (3) a statement that the vehicle was:~~

~~_____ (A) never in possession of the title applicant; or~~

~~_____ (B) in the possession of the title applicant;~~

~~_____ (4) the signatures of the dealer, the applicant, and any lienholder as principal to the document; and]~~

(b) (5) An affidavit must be accompanied by an odometer disclosure statement executed by the purchaser of the motor vehicle and acknowledged by the dealer if the vehicle was ever in the possession of the title applicant.~~3 [by the dealer if a statement is made pursuant to paragraph (3)(B) of this subsection to be used for the purpose of determining usage subsequent to sale.]~~

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1 ~~[(b) A rescission, cancellation, or revocation containing the statement authorized under~~
2 ~~subsection (a)(3)(B) of this section does not negate the fact that the vehicle has been subject to a~~
3 ~~previous retail sale.]~~

4
5 217.14. Exemptions from Title.

6 Vehicles [registered with] issued the following distinguishing license plates may not be
7 titled under Transportation Code, Chapter 501:

8 (1) vehicles eligible for machinery license plates and permit license plates in
9 accordance with Transportation Code, §502.146; and

10 (2) vehicles eligible for farm trailer license plates in accordance with Transportation
11 Code, §502. [146]~~[433]~~, unless the owner chooses to title a farm semitrailer or trailer with a gross
12 weight of more than 4,000 pounds that is titled in accordance with §502.146, as provided by
13 Transportation Code, §501.036.

14
15 217.15. Title Issuance to Government Agency for Travel Trailer.

16 (a) A government agency may apply to the department for a title to a travel trailer
17 purchased by or transferred to the government agency if the travel trailer is being used as
18 temporary housing in response to a natural disaster or other declared emergency.

19 (b) A government agency applying for a title under subsection (a) of this section must
20 comply with §217.4(a), (c), and (d) of this title (relating to Initial Application for Title).

21 (c) The department will issue a title to a government agency under this section without
22 payment of a fee if the government agency is not applying for registration at the same time. If the
23 government agency is also applying for registration, the government agency must pay any

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1 applicable [state inspection] fee under Transportation Code, Chapter 548 to the department at the
2 time of application.

3
4 217.16. Application for Title When Dealer Goes Out of Business.

5 (a) A person who purchased a vehicle from a dealer who is required to apply for a title on
6 the purchaser's behalf under Transportation Code, §501.0234 may apply for title as prescribed by
7 this section if the dealer has gone out of business and did not apply for title.

8 (b) For purposes of this section, a dealer has gone out of business if:

9 (1) the dealer's license has been closed or has expired; or

10 (2) operations have ceased at the licensed location as determined by the
11 department.

12 (c) For purposes of this section, a person must obtain a letter on department letterhead
13 stating a dealer has gone out of business. A person may request the letter by contacting the
14 department, including a Regional Service Center, or a county tax assessor-collector's office.

15 (d) An application under subsection (a) of this section must meet the requirements of
16 §217.4 of this title (relating to Initial Application for Title) except the applicant:

17 (1) must provide the sales contract, retail installment agreement, or buyer's order
18 in lieu of evidence of vehicle ownership as described in §217.5(a) of this title (relating to Evidence
19 of Motor Vehicle Ownership);

20 (2) must provide the letter described by subsection (c) of this section; and

21 (3) is not required to provide a release of lien if the only recorded lienholder is the
22 dealer that has gone out of business.

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(e) If a title application under this section does not include a properly completed odometer disclosure statement, as required by Transportation Code, §501.072, the odometer brand will be recorded as "NOT ACTUAL MILEAGE."

(f) The department will waive the payment of the following fees if the applicant can provide evidence showing the fee was paid to the dealer:

- (1) a title application fee under Transportation Code, §501.138;
- (2) delinquent transfer penalty under Transportation Code, §501.146;
- (3) all fees under Transportation Code, Chapter 502; and
- (4) the registration fee associated with the issuance of a license plate or set of license plates [buyer's temporary tag fee] under Transportation Code, §503.063.

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

217.22. Definitions.

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

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

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

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

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

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

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

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

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

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

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

15 (11) Digital license plate--As defined in Transportation Code, §504.151.

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

19 (13) Director--The director of the Vehicle Titles and Registration Division, Texas
20 Department of Motor Vehicles.

21 (14) Division--Vehicle Titles and Registration Division.

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

4 (16) Exempt agency--A governmental body exempted by statute from paying
5 registration fees when registering motor vehicles.

6 (17) Exempt license plates--Specially designated license plates issued to certain
7 vehicles owned or controlled by exempt agencies.

8 (18) Exhibition vehicle--

9 (A) An assembled complete passenger car, truck, or motorcycle that:

10 (i) is a collector's item;

11 (ii) is used exclusively for exhibitions, club activities, parades, and
12 other functions of public interest;

13 (iii) does not carry advertising; and

14 (iv) has a frame, body, and motor that is at least 25-years old; or

15 (B) A former military vehicle as defined in Transportation Code, §504.502.

16 (19) Fire-fighting equipment--Equipment mounted on fire-fighting vehicles used in
17 the process of fighting fires, including, but not limited to, ladders and hoses.

18 (20) Foreign commercial motor vehicle--A commercial motor vehicle, as defined by
19 49 C.F.R. §390.5, that is owned by a person or entity that is domiciled in or a citizen of a country
20 other than the United States.

21 (21) GPS-- A global positioning system tracking device that can be used to
22 determine the location of a digital license plate through data collection by means of a receiver in a
23 digital license plate.

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(22) Highway construction project--That section of the highway between the warning signs giving notice of a construction area.

(23) International symbol of access--The symbol adopted by Rehabilitation International in 1969 at its Eleventh World Congress of Rehabilitation of the Disabled.

~~[(24) Legally blind--Having not more than 20/200 visual acuity in the better eye with correcting lenses, or visual acuity greater than 20/200 but with a limitation in the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.]~~

(24)~~[(25)]~~ Legend--A name, motto, slogan, or registration expiration notification that is centered horizontally at the bottom of the license plate.

(25)~~[(26)]~~ Make--The trade name of the vehicle manufacturer.

(26)~~[(27)]~~ Metal license plate--A non-digital license plate issued by the department under Transportation Code Chapter 502 or Chapter 504.

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

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

(29)~~[(30)]~~ Optional digital license plate information--Any information authorized to be displayed on a digital license plate in addition to required digital license plate information when the vehicle is in park, including:

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

(B) vehicle manufacturer safety recall notices;

(C) advertising; or

(D) a parking permit.

(30)~~[(31)]~~ Park--As defined in Transportation Code, §541.401.

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

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

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

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

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1 (35)~~[(36)]~~ Secondary region of interest--The field on a metal or digital license plate
2 with the word "Texas" centered horizontally at the top of the plate. The secondary region of
3 interest encompasses a field of 2.5 inches in width by 0.5625 inches in height on metal license
4 plates manufactured for motorcycles, mopeds, golf carts, or off-highway vehicles. The secondary
5 region of interest encompasses a field of 6 inches in width by 1.9375 inches in height on metal
6 license plates manufactured for all other vehicles.

7 (36)~~[(37)]~~ Service agreement--A contractual agreement that allows individuals or
8 businesses to access the department's vehicle registration records.

9 (37)~~[(38)]~~ Specialty license plate--A special design license plate issued by the
10 department ~~[under SA]~~.

11 (38)~~[(39)]~~ Specialty license plate fee--Statutorily or department required fee
12 payable on submission of an application for a specialty license plate, symbol, tab, or other device,
13 and collected in addition to statutory motor vehicle registration fees.

14 (39)~~[(40)]~~ Sponsoring entity--An institution, college, university, sports team, or any
15 other non-profit individual or group that desires to support a particular specialty license plate by
16 coordinating the collection and submission of the prescribed applications and associated license
17 plate fees or deposits for that particular license plate.

18 (40)~~[(41)]~~ Street or suburban bus--A vehicle, other than a passenger car, used to
19 transport persons for compensation exclusively within the limits of a municipality or a suburban
20 addition to a municipality.

21 (41)~~[(42)]~~ Tandem axle group--Two or more axles spaced 40 inches or more apart
22 from center to center having at least one common point of weight suspension.

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1 (42)~~[(43)]~~ Unconventional vehicle--A vehicle built entirely as machinery from the
2 ground up, that is permanently designed to perform a specific function, and is not designed to
3 transport property.

4 (43)~~[(44)]~~ Vehicle classification--The grouping of vehicles in categories for the
5 purpose of registration, based on design, carrying capacity, or use.

6 (44)~~[(45)]~~ Vehicle description--Information regarding a specific vehicle, including,
7 but not limited to, the vehicle make, model year, body style, and vehicle identification number.

8 (45)~~[(46)]~~ Vehicle identification number--A number assigned by the manufacturer
9 of a motor vehicle or the department that describes the motor vehicle for purposes of
10 identification.

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

13 (46)~~[(48)]~~ Vehicle registration insignia--A license plate, symbol, tab, or other device
14 issued by the department evidencing that all applicable fees have been paid for the current
15 registration period and allowing the vehicle to be operated on the public highways.

16 (47)~~[(49)]~~ Vehicle registration record--Information contained in the department's
17 files that reflects, but is not limited to, the make, vehicle identification number, model year, body
18 style, license number, and the name of the registered owner.

19 (48)~~[(50)]~~ Volunteer fire department--An association that is organized for the
20 purpose of answering fire alarms, extinguishing fires, and providing emergency medical services.

21
22 217.23. Initial Application for Vehicle Registration.

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

(1) the signature of the owner;

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

(3) the license plate number;

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

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

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

(b) The application must be accompanied by the following:

(1) evidence of vehicle ownership as specified in §217.5 of this title (relating to Evidence of Motor Vehicle Ownership) [~~Transportation Code, §501.030~~], unless the vehicle has been issued a nonrepairable or salvage vehicle title in accordance with Transportation Code, Chapter 501, Subchapter E;

(2) registration fees prescribed by law;

(3) any local fees or other fees prescribed by law and collected in conjunction with registering a vehicle;

(4) evidence of financial responsibility required by Transportation Code, §502.046, unless otherwise exempted by law;

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

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1 (6) any other documents or fees required by law.

2 (c) An initial application for registration must be filed with the tax assessor-collector of the
3 county in which the owner resides or any county tax assessor-collector who is willing to accept the
4 application, except as provided in subsection (d) of this section.

5 (d) An application for registration, as a prerequisite to filing an application for title, may be
6 filed with the county tax assessor-collector in the county in which:

7 (1) the owner resides;

8 (2) the motor vehicle is purchased or encumbered; or

9 (3) a county tax assessor-collector who is willing to accept the application.

10

11

12

13 217.25. Out-of-State Vehicles.

14 A vehicle brought to Texas from out-of-state must be registered within 30 days of the date
15 on which the owner establishes residence or secures gainful employment, except as provided by
16 Transportation Code, §502.090 and Transportation Code, §502.145. Accompanying a completed
17 application, an applicant must provide:

18 (1) an application for title as required by Transportation Code, Chapter 501, if the
19 vehicle to be registered has not been previously titled in this state; and

20 (2) any other documents or fees required by law.

21

22 217.26. Identification Required.

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(a) An application for initial registration is not acceptable unless the applicant presents a current photo identification of the owner containing a unique identification number and expiration date. The identification document must be a:

(1) driver's license or state identification certificate issued by a state or territory of the United States;

(2) United States or foreign passport;

(3) United States military identification card;

(4) North Atlantic Treaty Organization identification or identification issued under a Status of Forces Agreement;

(5) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document; or

(6) ~~concealed handgun license or~~ license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(b) If the motor vehicle is titled in:

(1) more than one name, then the identification of one owner must be presented;

(2) the name of a leasing company, then:

(A) proof of the Federal Employer Identification Number/Employee Identification Number (FEIN/EIN) of the leasing company must be submitted, written on the application, and can be entered into the department's titling system. The number must correspond to the name of the leasing company in which the vehicle is being titled; and

(B) the leasing company may submit:

(i) a government issued photo identification, required under this section, of the lessee listed as the registrant; or

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1 (ii) a government issued photo identification, required under this
2 section, of the employee or authorized agent who signed the application for the leasing company,
3 and the employee's or authorized agent's employee identification, letter of authorization written
4 on the lessor's letterhead, or a printed business card. The printed business card, employee
5 identification, or letter of authorization written on the lessor's letterhead must contain the name
6 of the lessor, and the employee's or authorized agent's name must match the name on the
7 government issued photo identification;

8 (3) the name of a trust, then a government issued photo identification, required
9 under this section, of a trustee must be presented; or

10 (4) the name of a business, government entity, or organization, then:

11 (A) proof of the Federal Employer Identification Number/Employee
12 Identification Number (FEIN/EIN) of the business, government entity, or organization must be
13 submitted, written on the application, and can be entered into the department's titling system.
14 The number must correspond to the name of the business, government entity, or organization in
15 which the vehicle is being titled;

16 (B) the employee or authorized agent must present a government issued
17 photo identification, required under this section; and

18 (C) the employee's or authorized agent's employee identification; letter of
19 authorization written on the business', government entity's, or organization's letterhead; or a
20 printed business card. The printed business card, employee identification, or letter of
21 authorization written on the business', government entity's, or organization's letterhead must
22 contain the name of the business, governmental entity, or organization, and the employee's or
23 authorized agent's name must match the name on the government issued photo identification.

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1 (c) Within this section, "current" is defined as not to exceed 12 months after the expiration
2 date, except that a state-issued personal identification certificate issued to a qualifying person is
3 considered current if the identification states that it has no expiration.

4 (d) Within this section, an identification document such as a printed business card, letter of
5 authorization, or power of attorney, may be an original or photocopy.

6 (e) A person who holds a general distinguishing number issued under Transportation Code,
7 Chapter 503 or Occupations Code, Chapter 2301, is exempt from submitting to the county tax
8 assessor-collector, but must retain:

9 (1) the owner's identification, as required under this section; and

10 (2) authorization to sign, as required under this section.

11 (f) A person who holds a general distinguishing number issued under Transportation Code,
12 Chapter 503 or Occupations Code, Chapter 2301, is not required to submit photo identification or
13 authorization for an employee or agent signing a title assignment with a secure power of attorney.

14 (g) This section does not apply to non-titled vehicles.
15

16 217.27. Vehicle Registration Insignia.

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

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

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

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

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

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

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

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

(1) must display two license plates that are clearly visible, readable, and legible, one at the exterior front and one at the exterior rear of the vehicle that are securely fastened at the exterior front and rear of the vehicle in an upright horizontal position of not less than 12 inches from the ground, measuring from the bottom[, except that a vehicle described by

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Transportation Code, §621.2061 may place the rear plate so that it is clearly visible, readable, and legible]; or

(2) must display one plate that is securely fastened at or as close as practical to the exterior rear of the vehicle in a position not less than 12 inches from the ground, measuring from the bottom if the vehicle is a road tractor, motorcycle, trailer or semitrailer, except that a vehicle described by Transportation Code, §621.2061 may place the rear plate so that it is clearly visible, readable, and legible.

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

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

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

(A) vehicles described by Transportation Code, §502.0024 [trailers, semitrailers, or pole trailers not subject to inspection under §548.052(3)] may obtain a registration insignia for a period consisting of 12, 24, 36, 48 or 60 consecutive months on payment of all fees for each full year of registration; and

(B) vehicles described by Transportation Code, §548.510(b) may be registered for 24 consecutive months [in accordance with Transportation Code, §548.102 on payment of all fees for each year of registration, regardless of the number of months remaining on the inspection at the time of registration], provided[:]

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

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

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(d) The department may cancel any license plate issued with a personalized license plate number ~~[alphanumeric pattern]~~ if the department subsequently determines or discovers that the personalized license plate number ~~[alphanumeric pattern]~~ did not comply with this section when the license plate was issued, or if due to changing language usage, meaning, or interpretation, the personalized license plate number ~~[alphanumeric pattern]~~ no longer complies with this section. When reviewing a personalized license plate number ~~[alphanumeric pattern]~~, the department need not consider the applicant's subjective intent or declared meaning. The department will not issue any license plate containing a personalized license plate number ~~[alphanumeric pattern]~~ that meets one or more of the following criteria:

(1) The license plate number ~~[alphanumeric pattern]~~ conflicts with the department's current or proposed general issue ~~[regular]~~ license plate numbering system.

(2) The director or the director's designee finds that the personalized license plate number ~~[alphanumeric pattern]~~ may be considered objectionable. An objectionable license plate number ~~[alphanumeric pattern]~~ may include words, {or}-phrases, or slang in any language; phonetic, numeric, or reverse spelling; acronyms; patterns viewed in mirror image; or code that only a small segment of the community may be able to readily decipher. An objectionable pattern may be viewed as:

(A) indecent {defined as including a direct reference or connotation to a sexual act, sexual body parts, excreta, or sexual bodily fluids or functions. Additionally, the license plate number ~~[alphanumeric pattern]~~ "69" is prohibited unless used with the full year (1969) or in combination with a reference to a vehicle;

(B) vulgar, directly or indirectly (defined as profane, swear, or curse words);

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(C) derogatory, directly or indirectly (defined as an expression that is demeaning to, belittles, or disparages any person, group, race, ethnicity, nationality, gender, or sexual orientation. "Derogatory" may also include a reference to an organization that advocates the expressions described in this subparagraph);

(D) a direct or indirect negative instruction or command directed at another individual related to the operation of a motor vehicle;

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

(F) a direct or indirect reference to controlled substances or the physiological state produced by such substances, intoxicated states, or a direct or indirect reference that may express, describe, advertise, advocate, promote, encourage, or glorify such substances or states;

(G) a direct representation of law enforcement or other governmental entities, including any reference to a public office or position exclusive to government; or

(H) a pattern that could be misread by law enforcement.

(3) The license plate number ~~[alphanumeric pattern]~~ is currently on a license plate issued to another owner.

(e) Notwithstanding the provisions of this section, the department may issue license plates with personalized license plate numbers ~~[alphanumeric patterns]~~ that refer to:

(1) military branches, military rank, military units, military equipment, or status; or

(2) institutions of higher education, including military academies, whether funded privately, by the state, or by the federal government.

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(f) A decision to cancel or not to issue a license plate with a personalized license plate number ~~[alphanumeric pattern]~~ under subsection (d) of this section may be appealed to the executive director of the department or the executive director's designee within 20 days of notification of the cancellation or non-issuance. All appeals must be in writing, and the requesting party may include any written arguments, but shall not be entitled to a contested case hearing. The executive director or the executive director's designee will issue a decision no later than 30 days after the department receives the appeal, unless additional information is sought from the requestor, in which case the time for decision is tolled until the additional information is provided. The decision of the executive director or the executive director's designee is final and may not be appealed to the board. An appeal to the executive director or the executive director's designee is denied by operation of law 31 days from the receipt of the appeal, or if the requestor does not provide additional requested information within ten days of the request.

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

(h) A person whose initial application has been denied will receive a refund if the denial is not appealed in accordance with subsection (f) of this section. If an existing license plate with a personalized license plate number ~~[alphanumeric pattern]~~ has been canceled, the person may choose a new personalized license plate number ~~[alphanumeric pattern]~~ that will be valid for the remainder of the term, or the remaining term of the canceled license plate will be forfeited.

217.28. Vehicle Registration Renewal.

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1 (a) To renew vehicle registration, a vehicle owner must apply to the tax assessor-collector
2 of the county in which the owner resides or a county tax assessor-collector who is willing to accept
3 the application.

4 (b) The department will send a registration renewal notice, indicating the proper
5 registration fee and the month and year the registration expires, to each vehicle owner prior to the
6 expiration of the vehicle's registration.

7 (c) The registration renewal notice should be returned by the vehicle owner to the county
8 tax assessor-collector in the county in which the owner resides or a county tax assessor-collector
9 who is willing to accept the application, or to that tax assessor-collector's deputy, either in person
10 or by mail, unless the vehicle owner renews via the Internet. The renewal notice must be
11 accompanied by the following documents and fees:

12 (1) registration renewal fees prescribed by law;

13 (2) any local fees or other fees prescribed by law and collected in conjunction with
14 registration renewal; and

15 (3) evidence of financial responsibility required by Transportation Code, §502.046,
16 unless otherwise exempted by law.

17 (d) If a registration renewal notice is lost, destroyed, or not received by the vehicle owner,
18 the vehicle may be registered if the owner presents personal identification acceptable to the
19 county tax assessor-collector or via the Internet. Failure to receive the notice does not relieve the
20 owner of the responsibility to renew the vehicle's registration.

21 (e) Renewal of expired vehicle registrations.

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1 ~~[(1) In accordance with Transportation Code, §502.407, a vehicle with an expired~~
2 ~~registration may not be operated on the highways of the state after the fifth working day after the~~
3 ~~date a vehicle registration expires.]~~

4 (1)~~[(2)]~~ If the owner has been arrested or cited for operating the vehicle without
5 valid registration then a 20% delinquency penalty is due when registration is renewed, the full
6 annual fee will be collected, and the vehicle registration expiration month will remain the same.

7 (2)~~[(3)]~~ If the county tax assessor-collector or the department determines that a
8 registrant has a valid reason for being delinquent in registration, the vehicle owner will be
9 required to pay for 12 months' registration. Renewal will establish a new registration expiration
10 month that will end on the last day of the eleventh month following the month of registration
11 renewal.

12 (3)~~[(4)]~~ If the county tax assessor-collector or the department determines that a
13 registrant does not have a valid reason for being delinquent in registration, the full annual fee will
14 be collected and the vehicle registration expiration month will remain the same.

15 (4)~~[(5)]~~ Specialty license plates, symbols, tabs, or other devices may be prorated as
16 provided in §217.45(d)(2) of this title (relating to Specialty License Plates, Symbols, Tabs, and
17 Other Devices).

18 (5)~~[(6)]~~ Evidence of a valid reason may include receipts, passport dates, and military
19 orders. Valid reasons may include:

- 20 (A) extensive repairs on the vehicle;
- 21 (B) the person was out of the country;
- 22 (C) the vehicle is used only for seasonal use;
- 23 (D) military orders;

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- 1 (E) storage of the vehicle;
- 2 (F) a medical condition such as an extended hospital stay; and
- 3 (G) any other reason submitted with evidence that the county tax assessor-
- 4 collector or the department determines is valid.

5 (6) The operation of a vehicle with an expired registration that has been stored or

6 otherwise not in operation that is driven only to an inspection station for the purpose of obtaining

7 an inspection, if applicable, for registration, will not affect the determination of whether the

8 registrant has a valid or invalid reason for being delinquent.

- 9 (f) For purposes of Transportation Code §502.407(c), the county tax assessor-collector's
- 10 office of the county in which the owner resides is closed for a protracted period of time if the
- 11 county tax assessor-collector's office has notified the department that it is closed or will be closed
- 12 for more than one week.

13

14 217.29. Vehicle Registration Renewal via Internet.

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

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

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(c) Eligibility of individuals for participation. To be eligible to renew a vehicle's registration via the Internet, the vehicle owner must meet all criteria for registration renewal outlined in this subchapter and in Transportation Code, Chapter 502.

~~((d) Fees. This subsection applies to vehicle registrations expiring prior to January 1, 2017 that are submitted for renewal prior to July 1, 2017. A vehicle owner who renews registration via the Internet must pay:~~

~~(1) registration fees prescribed by law;~~

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

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

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

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

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

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

(3) insurance information, including the name of the insurance company, the name of the insurance company's agent (if applicable), the telephone number of the insurance company or agent (local or toll free number serviced Monday through Friday 8:00 a.m. to 5:00 p.m.), the insurance policy number, and representation that the policy meets all applicable legal standards;

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

(5) other information prescribed by rule or statute.

~~[(f) Duties of the county. For vehicle registrations that expire prior to January 1, 2017 that are submitted for renewal prior to July 1, 2017, a county tax assessor collector shall:~~

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

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

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

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

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

~~(6) ensure that all requirements for registration renewal are met, including all requirements set forth in this subchapter, and in Transportation Code, Chapter 502;~~

~~(7) reject applications that do not meet all requirements set forth in this chapter, and in Transportation Code, Chapter 502; and~~

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

~~(e)[(g)] Duties of the county. For vehicle registrations that expire on or after January 1, 2017, and registrations that expired prior to January 1, 2017 that are submitted for renewal on or after July 1, 2017, [a]A county tax assessor-collector shall:~~

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

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

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

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

(5) reject applications that do not meet all requirements set forth in this chapter, and in Transportation Code, Chapter 502; and

(6) register each vehicle for a 12-month period.

~~(f)(h)) Duties of the department. For vehicle renewal registrations that are submitted via the Internet, the department and its centralized third-party vendor shall promptly facilitate and mail registration validation stickers to applicants [expire on or after January 1, 2017, and registrations that expired prior to January 1, 2017 that are submitted for renewal on or after July 1, 2017, the department shall promptly mail renewal registration validation stickers and license plates to applicants.]~~

217.33. Commercial Farm Motor Vehicles, Farm Trailers, and Farm Semitrailers.

(a) An applicant must provide a properly completed application for farm license plates. Except as provided by subsection (d) of this section, the application must be accompanied by proof of the applicant's Texas Agriculture or Timber Exemption Registration Number issued by the Texas Comptroller of Public Accounts. Proof of the registration number must be:

(1) legible;

(2) current; and

(3) in the name of the person or dba in which the vehicle is or will be registered, pursuant to Transportation Code, §502.146 and §502.433.

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(b) A registration renewal of farm license plates must be accompanied by proof of the applicant's Texas Agriculture or Timber Exemption Registration Number issued by the Texas Comptroller of Public Accounts.

(c) In accordance with Transportation Code, §502.146 and §502.433, an applicant's Texas Agriculture or Timber Exemption Registration Number may be verified through the online system established by the Comptroller.

(d) A farmers' cooperative society incorporated under Agriculture Code, Chapter 51, or a marketing association organized under Agriculture Code, Chapter 52 applying for or renewing the registration of farm license plates under this section is not required to submit proof of the applicant's Texas Agriculture or Timber Exemption Registration issued by the Texas Comptroller of Public Accounts.

~~[217.34. Electric Personal Assistive Mobility Device.]~~

~~[The owner of an electric personal assistive mobility device, as defined by Transportation Code, §551.201, is not required to register it. The device may only be operated on a residential street, roadway, or public highway in accordance with Transportation Code, §551.202.]~~

217.36. Refusal to Register by Local Government and Record Notation.

(a) Enforcement of traffic warrant. A municipality may enter into a contract with the department under Government Code, Chapter 791, to indicate in the state's motor vehicle records that the owner of the vehicle is a person for whom a warrant of arrest is outstanding for failure to appear or who has failed to pay a fine on a complaint involving a violation of a traffic law. In accordance with Transportation Code, §702.003, a county tax assessor-collector may refuse to

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1 register a motor vehicle if such a failure is indicated in the motor vehicle record for that motor
2 vehicle. A municipality is responsible for obtaining the agreement of the county in which the
3 municipality is located to refuse to register motor vehicles for failure to pay civil penalties imposed
4 by the municipality.

5 (b) Refusal to register vehicle in certain counties. A county may enter into a contract with
6 the department under Government Code, Chapter 791 to indicate in the state's motor vehicle
7 records that the owner of the vehicle has failed to pay a fine, fee, or tax that is past due. In
8 accordance with Transportation Code, §502.010, a county tax assessor-collector may refuse to
9 register a motor vehicle if such a failure is indicated in the motor vehicle record for that motor
10 vehicle.

11 (c) Record notation. A contract between the department and a county, municipality, or
12 local authority entered into under Transportation Code §502.010 or Transportation Code §702.003
13 will contain the terms set out in this subsection.

14 (1) To place or remove a registration denial flag on a vehicle record, the contracting
15 entity must submit data electronically by secure file transfer protocol ~~[a magnetic tape]~~ or other
16 acceptable submission medium as determined by the department in a format prescribed by the
17 department.

18 (2) The information submitted by the contracting entity will include, at a minimum,
19 the vehicle identification number and the license plate number of the affected vehicle.

20 (3) If the contracting entity data submission contains bad or corrupted data, the
21 submission medium will be returned to the contracting entity with no further action by the
22 department.

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(4) The secure file transfer protocol ~~[magnetic tape]~~ or other submission medium must be submitted to the department from a single source within the contracting entity.

(5) The submission of a secure file transfer protocol ~~[magnetic tape]~~ or other submission medium to the department by a contracting entity constitutes a certification by that entity that it has complied with all applicable laws.

217.37. Fees.

~~[(a)]~~ The department and the county will charge required fees, and only those fees provided by statute or rule.

~~[(b) A \$2 fee for a duplicate registration receipt will be charged if a receipt is printed for the customer.]~~

217.40. Special Registrations.

(a) Purpose and scope. Transportation Code, Chapter 502, Subchapters C and I, charge the department with the responsibility of issuing special registration permits and special registration license plates which shall be recognized as legal registration for the movement of motor vehicles not authorized to travel on Texas public highways for lack of registration or for lack of reciprocity with the state or country in which the vehicles are registered. For the department to efficiently and effectively perform these duties, this section prescribes the policies and procedures for the application and the issuance of special ~~[temporary]~~ registration permits and special registration license plates.

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(b) Permit categories. The department will issue the following categories of special registration permits.

(1) Additional weight permits in accordance with Transportation Code, §502.434.

~~[The owner of a truck, truck tractor, trailer, or semitrailer may purchase temporary additional weight permits for the purpose of transporting the owner's own seasonal agricultural products to market or other points for sale or processing in accordance with Transportation Code, §502.434. In addition, such vehicles may be used for the transportation without charge of seasonal laborers from their place of residence, and materials, tools, equipment, and supplies from the place of purchase or storage, to a farm or ranch exclusively for use on such farm or ranch.]~~

~~(A) Additional weight permits are valid for a limited period of less than one year.~~

~~(B) An additional weight permit will not be issued for a period of less than one month or extended beyond the expiration of a license plate issued under Transportation Code, Chapter 502.~~

~~(C) The statutory fee for an additional weight permit is based on a percentage of the difference between the owner's annual registration fee and the annual fee for the desired gross vehicle weight computed as follows:~~

~~(i) one month (or 30 consecutive days) 10%;~~

~~(ii) one quarter (three consecutive months) 30%;~~

~~(iii) two quarters (six consecutive months) 60%; or~~

~~(iv) three quarters (nine consecutive months) 90%.]~~

~~(D) Additional weight permits are issued for calendar quarters with the first quarter to begin on April 1st of each year.~~

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1 (A)~~[(F)]~~ A permit will not be issued unless the registration fee for hauling
2 the additional weight has been paid prior to the actual hauling.

3 (B)~~[(F)]~~ An applicant must provide proof of the applicant's Texas Agriculture
4 or Timber Exemption Registration Number issued by the Texas Comptroller of Public Accounts.
5 Proof of the registration number must be:

6 (i) legible;

7 (ii) current;

8 (iii) in the name of the person or dba in which the vehicle is or will
9 be registered; and

10 (iv) verifiable through the online system established by the
11 Comptroller.

12 (2) Annual permits in accordance with Transportation Code, §502.093.

13 (A) ~~[Transportation Code, §502.093 authorizes the department to issue~~
14 ~~annual permits to provide for the movement of foreign commercial vehicles that are not~~
15 ~~authorized to travel on Texas highways for lack of registration or for lack of reciprocity with the~~
16 ~~state or country in which the vehicles are registered.]~~ The department will issue annual permits:

17 (i) for a 12-month period designated by the department which
18 begins on the first day of a calendar month and expires on the last day of the last calendar month
19 in that annual registration period; and

20 (ii) to each vehicle or combination of vehicles for the registration
21 fee prescribed by weight classification in Transportation Code, §502.253 and §502.255.

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1 ~~[(B) The department will not issue annual permits for the importation of~~
2 ~~citrus fruit into Texas from a foreign country except for foreign export or processing for foreign~~
3 ~~export.]~~

4 (B)[(C)] The following exemptions apply to vehicles displaying annual
5 permits.

6 (i) Currently registered foreign semitrailers having a gross weight in
7 excess of 6,000 pounds used or to be used in combination with commercial motor vehicles or truck
8 tractors having a gross vehicle weight in excess of 10,000 pounds are exempted from the
9 requirements to pay the token fee and display the associated distinguishing license plate provided
10 for in Transportation Code, §502.255. An annual permit is required for the power unit only. For
11 vehicles registered in combination, the combined gross weight may not be less than 18,000
12 pounds.

13 (C) Upon approval of an application, the department will issue one license
14 plate for a truck-tractor, trailer, and semitrailer. The license plate issued to a truck-tractor shall be
15 installed on the front of the truck-tractor. The license plate issued to a trailer or semi-trailer must
16 be displayed as required by §217.27(b) of this title (relating to Vehicle Registration Insignia).

17 ~~[(ii) Vehicles registered with annual permits are not subject to the~~
18 ~~optional county registration fee under Transportation Code, §502.401; the optional county fee for~~
19 ~~transportation projects under Transportation Code, §502.402; or the optional registration fee for~~
20 ~~child safety under Transportation Code, §502.403.]~~

21 (3) 72-hour permits and 144-hour permits in accordance with Transportation Code,
22 §502.094.

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1 ~~[(A) In accordance with Transportation Code, §502.094, the department will~~
2 ~~issue a permit valid for 72 hours or 144 hours for the movement of commercial motor vehicles,~~
3 ~~trailers, semitrailers, and motor buses owned by residents of the United States, Mexico, or Canada.~~

4 ~~(B) A 72-hour permit or a 144-hour permit is valid for the period of time~~
5 ~~stated on the permit beginning with the effective day and time as shown on the permit registration~~
6 ~~receipt.~~

7 ~~(C) Vehicles displaying 72-hour permits or 144-hour permits are subject to~~
8 ~~vehicle safety inspection in accordance with Transportation Code, §548.051, except for:~~

9 ~~(i) vehicles currently registered in another state of the United~~
10 ~~States, Mexico, or Canada; and~~

11 ~~(ii) mobile drilling and servicing equipment used in the production of~~
12 ~~gas, crude petroleum, or oil, including, but not limited to, mobile cranes and hoisting equipment,~~
13 ~~mobile lift equipment, forklifts, and tugs.~~

14 ~~(D) The department will not issue a 72-hour permit or a 144-hour permit to~~
15 ~~a commercial motor vehicle, trailer, semitrailer, or motor bus apprehended for violation of Texas~~
16 ~~registration laws. Apprehended vehicles must be registered under Transportation Code, Chapter~~
17 ~~502.]~~

18 ~~[(4) Temporary agricultural permits in accordance with Transportation Code,~~
19 ~~§502.092.~~

20 ~~(A) Transportation Code, §502.092 authorizes the department to issue a 30-~~
21 ~~day temporary nonresident registration permit to a nonresident for any truck, truck tractor, trailer,~~
22 ~~or semitrailer to be used in the movement of all agriculture products produced in Texas:~~

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~~(i) from the place of production to market, storage, or railhead not more than 75 miles from the place of production; or~~

~~(ii) to be used in the movement of machinery used to harvest Texas-produced agricultural products.~~

~~(B) The department will issue a 30-day temporary nonresident registration permit to a nonresident for any truck, truck tractor, trailer, or semitrailer used to move or harvest farm products, produced outside of Texas, but:~~

~~(i) marketed or processed in Texas; or~~

~~(ii) moved to points in Texas for shipment from the point of entry into Texas to market, storage, processing plant, railhead or seaport not more than 80 miles from such point of entry into Texas.~~

~~(C) The statutory fee for temporary agricultural permits is one-twelfth of the annual Texas registration fee prescribed for the vehicle for which the permit is issued.~~

~~(D) The department will issue a temporary agricultural permit only when the vehicle is legally registered in the nonresident's home state or country for the current registration year.~~

~~(E) The number of temporary agricultural permits is limited to three permits per nonresident owner during any one vehicle registration year.]~~

~~(F) Temporary agricultural permits may not be issued to farm licensed trailers or semitrailers.]~~

(c) License plate categories. The department will issue the following categories of special registration license plates.

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(1)[(5)] One-trip license plates [permits] in accordance with Transportation Code, \$502.095. [~~Transportation Code, \$502.095 authorizes the department to temporarily register any unladen vehicle upon application to provide for the movement of the vehicle for one trip, when the vehicle is subject to Texas registration and not authorized to travel on the public roadways for lack of registration or lack of registration reciprocity.~~]

(A) Upon receipt of the \$5 fee, registration will be valid for one trip only between the points of origin and destination and intermediate points as may be set forth in the application and registration receipt.

(B) The department will issue a one-trip permit to a bus which is not covered by a reciprocity agreement with the state or country in which it is registered to allow for the transit of the vehicle only. The vehicle should not be used for the transportation of any passenger or property, for compensation or otherwise, unless such bus is operating under charter from another state or country.

(C) A one-trip permit is valid for a period up to 15 days from the effective date of registration.]

(A)[(D)] A one-trip license plate[permit] may not be issued for a trip which both originates and terminates outside Texas.

(B)[(E)] A laden motor vehicle or a laden commercial vehicle cannot display a one-trip license plate[permit]. If the vehicle is unregistered, it must operate with a 72-hour or 144-hour permit.

(C) A one-trip license plate must be displayed as required by \$217.27(b) of this title (relating to Vehicle Registration Insignia).

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(2)[(6)] 30-day license plates temporary registration permits in accordance with
Transportation Code, §502.095. ~~[Transportation Code, §502.095 authorizes the department to
issue a temporary registration permit valid for 30 days for a \$25 fee.]~~

(A) A vehicle operated on a 30-day license plate temporary permit is not
restricted to a specific route. The 30-day license plate permit is available for:

(i)[(A)] passenger vehicles;

~~[(B)] motorcycles;~~

(ii)[(C)] private buses;

(iii)[(D)] trailers and semitrailers with a gross weight not exceeding
10,000 pounds;

(iv)[(E)] light commercial vehicles not exceeding a gross weight of
10,000 pounds; and

(v)[(F)] a commercial vehicle exceeding 10,000 pounds, provided the
vehicle is operated unladen.

(B) A 30-day license plate must be displayed as required by §217.27(b) of
this title (relating to Vehicle Registration Insignia).

(c) Application process.

(1) Procedure. An owner who wishes to apply for a special temporary registration
permit or special registration license plate for a vehicle which is otherwise required to be
registered in accordance with this subchapter, must do so on a form prescribed by the
department.

(2) Form requirements. The application form will at a minimum require:

(A) the signature of the owner;

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1 (B) the name and complete address of the applicant; and

2 (C) the vehicle description.

3 (3) Fees and documentation. The application must be accompanied by:

4 (A) statutorily prescribed fees, ~~[, unless the applicant is exempt from fees~~
5 ~~under Transportation Code, §501.0236 and provides the letter specified in §217.16(c) of this title~~
6 ~~(relating to Application for Title When Dealer Goes Out of Business);]~~

7 (B) evidence of financial responsibility:

8 (i) as required by Transportation Code, Chapter 502, Subchapter B,
9 provided that all policies written for the operation of motor vehicles must be issued by an
10 insurance company or surety company authorized to write motor vehicle liability insurance in
11 Texas; or

12 (ii) if the applicant is a motor carrier as defined by §218.2 of this
13 title (relating to Definitions), indicating that the vehicle is registered in compliance with Chapter
14 218, Subchapter B of this title (relating to Motor Carrier Registration); and

15 (C) any other documents or fees required by law.

16 (4) Place of application.

17 (A) All applications for annual permits must be submitted directly to the
18 department for processing and issuance.

19 (B) Additional weight permits ~~[and temporary agricultural permits]~~ may be
20 obtained by making application with the department through the county tax assessor-collectors'
21 offices.

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(C) 72-hour and 144-hour permits, one-trip license plates [permits], and 30-day [trip] license plates [temporary registration permits] may be obtained by making application either with the department or the county tax assessor-collectors' offices.

(d) Receipt for special registration permit or special registration license plate in lieu of registration. A receipt will be issued for each special registration permit or special registration license plate in lieu of registration to be carried in the vehicle during the time the special registration permit or special registration license plate is valid. ~~A one-trip or 30-day trip permit must be displayed as required by Transportation Code, §502.095(f).~~ If the receipt is lost or destroyed, the owner must obtain a duplicate from the department or from the county office. The fee for the duplicate receipt is the same as the fee required by Transportation Code, §502.058.

(e) Transfer of special registration [temporary] permits or special registration license plates.

(1) Special registration [Temporary] permits and special registration license plates are non-transferable between vehicles and/or owners.

(2) If the owner of a vehicle displaying a special registration [temporary] permit or a special registration license plate disposes of the vehicle during the time the permit or license plate is valid, the permit or license plate must be returned to the county tax assessor-collector office or department immediately.

(f) Replacement permits. Vehicle owners displaying annual permits may obtain replacement permits if an annual permit is lost, stolen, or mutilated.

(1) The fee for a replacement annual permit is the same as for a replacement number plate, symbol, tab, or other device as provided by Transportation Code, §502.060.

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(2) The owner shall apply directly to the department in writing for the issuance of a replacement annual permit. Such request should include a copy of the registration receipt and replacement fee.

(g) Agreements with other jurisdictions. In accordance with Transportation Code, §502.091, and Chapter 648, the executive director of the department may enter into a written agreement with an authorized officer of a state, province, territory, or possession of a foreign country to provide for the exemption from payment of registration fees by nonresidents, if residents of this state are granted reciprocal exemptions. The executive director may enter into such agreement only upon:

(1) the approval of the governor; and

(2) making a determination that the economic benefits to the state outweigh all other factors considered.

(h) Border commercial zones.

(1) Texas registration required. A vehicle located in a border commercial zone must display a valid Texas registration if the vehicle is owned by a person who:

(A) owns a leasing facility or a leasing terminal located in Texas; and

(B) leases the vehicle to a foreign motor carrier.

(2) Exemption for trips of short duration. Except as provided by paragraph (1) of this subsection, a foreign commercial vehicle operating in accordance with Transportation Code, Chapter 648 is exempt from the display of a temporary registration permit if:

(A) the vehicle is engaged solely in the transportation of cargo across the border into or from a border commercial zone;

(B) for each load of cargo transported the vehicle remains in this state for:

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- 1 (i) not more than 24 hours; or
- 2 (ii) not more than 48 hours, if:
- 3 (I) the vehicle is unable to leave this state within 24 hours
- 4 because of circumstances beyond the control of the motor carrier operating the vehicle; and
- 5 (II) all financial responsibility requirements applying to this
- 6 vehicle are satisfied;
- 7 (C) the vehicle is registered and licensed as required by the country in which
- 8 the person that owns the vehicle is domiciled or is a citizen as evidenced by a valid metal license
- 9 plate attached to the front or rear exterior of the vehicle; and
- 10 (D) the country in which the person who owns the vehicle is domiciled or is
- 11 a citizen provides a reciprocal exemption for commercial motor vehicles owned by residents of
- 12 Texas.
- 13 (3) Exemption due to reciprocity agreement. Except as provided by paragraph (1) of
- 14 this subsection, a foreign commercial motor vehicle in a border commercial zone in this state is
- 15 exempt from the requirement of obtaining a Texas registration if the vehicle is currently registered
- 16 in another state of the United States or a province of Canada with which this state has a reciprocity
- 17 agreement that exempts a vehicle that is owned by a resident of this state and that is currently
- 18 registered in this state from registration in the other state or province.
- 19
- 20 217.41. Disabled Person License Plates and Disabled Parking Placards.
- 21 (a) Purpose. Transportation Code, Chapters 504 and 681, charge the department with the
- 22 responsibility for issuing specially designed license plates and disabled parking placards for
- 23 disabled persons. For the department to perform these duties efficiently and effectively, this

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section prescribes the policies and procedures for the application, issuance, and renewal of disabled person license plates and disabled parking placards.

(b) Issuance.

(1) For purposes of this section, "disabled person" means a person eligible for issuance of a license plate bearing the International Symbol of Access under Transportation Code §504.201, including a qualifying disabled veteran under §504.202(b-1).

(2) Disabled person license plates.

(A) Eligibility. In accordance with Transportation Code §504.201 and §504.202(b-1) and (b-2), the department will issue specially designed license plates displaying the International Symbol of Access to permanently disabled persons or their transporters instead of general issue ~~[regular motor vehicle]~~ license plates. As satisfactory proof of eligibility, an organization that transports disabled veterans who would qualify for license plates issued under Transportation Code §504.202(b-1) must provide a written statement from the veteran's county service officer of the county in which a vehicle described by Transportation Code §504.202(c) is registered or by the Department of Veterans Affairs that:

(i) the vehicle is used exclusively to transport veterans of the United States armed forces who have suffered, as a result of military service, a service-connected disability;

(ii) the vehicle regularly transports veterans who are eligible to receive license plates under Subsection (b-1); and

(iii) the veterans are not charged for the transportation.

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1 (B) Specialty license plates. The department will issue disabled person
2 specialty license plates displaying the International Symbol of Access that can accommodate the
3 identifying insignia and that are issued in accordance with §217.43 or §217.45 of this title.

4 (C) License plate number. Disabled person license plates will bear a license
5 plate number assigned by the department or will bear a personalized license plate number issued
6 in accordance with §217.43 or §217.45 of this title.

7 (3) Windshield disabled parking placards.

8 (A) Issuance. The department will issue removable windshield disabled
9 parking placards to temporarily or permanently disabled persons and to the transporters of
10 permanently disabled persons, as provided under Transportation Code §§504.201, 504.202 (b-1)
11 and (b-2), and 681.004.

12 (B) Display. A person who has been issued a windshield disabled parking
13 placard shall hang the placard from a vehicle's rearview mirror when the vehicle is parked in a
14 disabled person parking space or shall display the placard on the center portion of the dashboard if
15 the vehicle does not have a rearview mirror.

16 (c) Renewal of disabled person license plates. Disabled person license plates are valid for a
17 period of 12 months from the date of issuance and are renewable as specified in §§217.28, 217.43,
18 and 217.45 of this title.

19 (d) Replacement.

20 (1) License plates. If a disabled person metal license plate is lost, stolen, or
21 mutilated, the owner may obtain a replacement metal license plate by applying with a county tax
22 assessor-collector.

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

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

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

10 (e) Transfer of disabled person license plates and disabled parking 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
14 license plates have been issued shall remove the disabled person license plates from the vehicle.
15 The owner shall return the license plates to the department and shall obtain appropriate
16 replacement license plates to place on the vehicle prior to any transfer of ownership.

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

21 (i) Plate ownership verification may include:

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

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1 (II) a copy of the department application for disabled person
2 license plates; or

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

4 (ii) An owner who sells or trades a vehicle with disabled person
5 license plates must remove the plates from the vehicle.

6 (iii) The department will provide a form that persons may use to
7 facilitate a transfer of disabled person license plates between vehicles.

8 (2) Disabled parking placards.

9 (A) Transfer between vehicles. Disabled parking placards may be displayed
10 in any vehicle driven by the disabled person or in which the disabled person is a passenger.

11 (B) Transfer between persons. Disabled parking placards may not be
12 transferred between persons.

13 (f) Seizure and revocation of disabled parking placard.

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

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

20

21 217.43. Military Specialty License Plates.

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(a) Purpose and Scope. Transportation Code, Chapter 504 authorizes the department to issue military specialty license plates. This section prescribes the policies and procedures for the application, issuance, and renewal of military specialty license plates.

(b) Classification and fees. The department will issue specialty **license** plates for the military and charge fees as authorized by Transportation Code, §504.202 and Chapter 504, Subchapter D.

(c) Application. Applications for military specialty license plates must be made to the department and include evidence of eligibility. The evidence of eligibility may include, but is not limited to:

- (1) an official document issued by a governmental entity;
- (2) a letter issued by a governmental entity on that agency's letterhead;
- (3) discharge papers;
- (4) a death certificate; or
- (5) an identification card issued by any branch of the military under the jurisdiction of the United States Department of Defense or the United States Department of Homeland Security indicating that the member is retired.

(d) Period. Military specialty license plates shall be valid for 12 months from the month of issuance or for a prorated period of at least 12 months coinciding with the expiration of registration and may be replaced in accordance with §217.32 of this title (relating to Replacement of License Plates, Symbols, Tabs, and Other Devices).

(e) Assignment and Transfer. Military **license** plates may not be assigned and may only be transferred to another vehicle owned by the same vehicle owner.

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(f) Applicability. Section 217.45 of this title (relating to Specialty License Plates, Symbols, Tabs, and Other Devices) applies to military license plates, symbols, tabs, or other devices as to:

(1) what is considered one set of license plates per vehicle as determined by vehicle type;

(2) issuance of validation tabs and insignia;

(3) stolen or replaced license plates;

(4) payment of other applicable fees;

(5) personalization, except that Congressional Medal of Honor license plates may not be personalized;

(6) renewal, except that the owner of a vehicle with Congressional Medal of Honor license plates must return the documentation and specialty license plate fee, if any, directly to the department;

(7) refunds; and

(8) expiration.

217.45. Specialty License Plates, Symbols, Tabs, and Other Devices.

(a) Purpose and Scope. Transportation Code, Chapters 504, 551, and 551A charge the department with providing specialty license plates, symbols, tabs, and other devices. For the department to perform these duties efficiently and effectively, this section prescribes the policies and procedures for the application, issuance, and renewal of specialty license plates, symbols, tabs, and other devices, through the county tax assessor-collectors, and establishes application fees, expiration dates, and registration periods for certain specialty license plates. This section

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1 does not apply to military license plates except as provided by §217.43 of this title (relating to
2 Military Specialty License Plates).

3 (b) Initial application for specialty license plates, symbols, tabs, or other devices.

4 (1) Application Process.

5 (A) Procedure. An owner of a vehicle registered as specified in this
6 subchapter who wishes to apply for a specialty license plate, symbol, tab, or other device must do
7 so on a form prescribed by the director.

8 (B) Form requirements. The application form shall at a minimum require the
9 name and complete address of the applicant.

10 (2) Fees and Documentation.

11 (A) The application must be accompanied by the prescribed registration fee,
12 unless exempted by statute.

13 (B) The application must be accompanied by the statutorily prescribed
14 specialty license plate fee. ~~[If a registration period is greater than 12 months, the expiration date~~
15 ~~of a specialty license plate, symbol, tab, or other device will be aligned with the registration period~~
16 ~~and the specialty license plate fee will be adjusted to yield the appropriate fee. If the statutory~~
17 ~~annual fee for a specialty license plate is \$5 or less, it will not be prorated.]~~

18 (C) Specialty license plate fees will not be refunded after an application is
19 submitted and the department has approved issuance of the license plate.

20 (D) The application must be accompanied by prescribed local fees or other
21 fees that are collected in conjunction with registering a vehicle, with the exception of vehicles
22 bearing license plates that are exempt by statute from these fees.

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1 (E) The application must include evidence of eligibility for any specialty
2 license plates. The evidence of eligibility may include, but is not limited to:

3 (i) an official document issued by a governmental entity; or

4 (ii) a letter issued by a governmental entity on that agency's
5 letterhead.

6 (F) Initial applications for license plates for display on Exhibition Vehicles
7 must include a photograph of the completed vehicle.

8 (3) Place of application. Applications for specialty license plates may be made
9 directly to the county tax assessor-collector of the county in which the owner resides or a county
10 tax assessor-collector who is willing to accept the application, except that applications for the
11 following license plates must be made directly to the department:

12 (A) County Judge;

13 (B) Federal Administrative Law Judge;

14 (C) State Judge;

15 (D) State Official;

16 (E) U.S. Congress--House;

17 (F) U.S. Congress--Senate; and

18 (G) U.S. Judge.

19 (4) Gift plates.

20 (A) A person may purchase general distribution specialty license plates as a
21 gift for another person if the purchaser submits an application for the specialty license plates that
22 provides:

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1 (i) the name and address of the person who will receive the license
2 plates; and

3 (ii) the vehicle identification number of the vehicle on which the
4 license plates will be displayed.

5 (B) To be valid for use on a motor vehicle, the recipient of the license plates
6 must file an application with the county tax assessor-collector and pay the statutorily required
7 registration fees in the amount as provided by Transportation Code, Chapter 502 and this
8 subchapter.

9 (c) Initial issuance of specialty license plates, symbols, tabs, or other devices.

10 (1) Issuance. On receipt of a completed initial application for registration,
11 accompanied by the prescribed documentation and fees, the department will issue specialty
12 license plates, symbols, tabs, or other devices to be displayed on the vehicle for which the license
13 plates, symbols, tabs, or other devices were issued for the current registration period. If the
14 vehicle for which the specialty license plates, symbols, tabs, or other devices are issued is currently
15 registered, the owner must surrender the license plates currently displayed on the vehicle, along
16 with the corresponding license receipt, before the specialty license plates may be issued.

17 (2) Classic Motor Vehicles, Classic Travel Trailers, Custom Vehicles, Street Rods, and
18 Exhibition Vehicles.

19 (A) License plates. Texas license plates that were issued the same year as
20 the model year of a Classic Motor Vehicle, Travel Trailer, Street Rod, or Exhibition Vehicle may be
21 displayed on that vehicle under Transportation Code, §504.501 and §504.502, unless:

22 (i) the license plate's original use was restricted by statute to
23 another vehicle type;

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1 (ii) the license plate is a qualifying plate type that originally required
2 the owner to meet one or more eligibility requirements, except for a plate issued under
3 Transportation Code, §504.202; or

4 (iii) the license plate number ~~[alpha-numeric pattern]~~ is already in
5 use on another vehicle.

6 (B) Validation stickers and tabs. The department will issue validation
7 stickers and tabs for display on license plates that are displayed as provided by subparagraph (A) of
8 this paragraph.

9 (3) Number of license plates issued.

10 (A) Two license plates. Unless otherwise listed in subparagraph (B) of this
11 paragraph, two specialty license plates, each bearing the same license plate number, will be issued
12 per vehicle.

13 (B) One license plate. One license plate will be issued per vehicle for all
14 motorcycles and for the following specialty license plates:

15 (i) Antique Vehicle (includes Antique Auto, Antique Truck, Antique
16 Motorcycle, and Antique Bus);

17 (ii) Classic Travel Trailer;

18 (iii) Rental Trailer;

19 (iv) Travel Trailer;

20 (v) Cotton Vehicle;

21 (vi) Disaster Relief;

22 (vii) Forestry Vehicle;

23 (viii) Golf Cart;

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1 (ix) Log Loader;

2 (x) Military Vehicle;

3 (xi) Package Delivery Vehicle;

4 (xii) Fertilizer; and

5 (xiii) Off-highway Vehicle.

6 (C) Registration number. The identification number assigned by the military
7 may be approved as the registration number instead of displaying Military Vehicle license plates on
8 a former military vehicle.

9 (4) Assignment of **license** plates.

10 (A) Title holder. Unless otherwise exempted by law or this section, the
11 vehicle on which specialty license plates, symbols, tabs, or other devices is to be displayed shall be
12 titled in the name of the person to whom the specialty license plates, symbols, tabs, or other
13 devices is assigned, or a title application shall be filed in that person's name at the time the
14 specialty license plates, symbols, tabs, or other devices are issued.

15 (B) Non-owner vehicle. If the vehicle is titled in a name other than that of
16 the applicant, the applicant must provide evidence of having the legal right of possession and
17 control of the vehicle.

18 (C) Leased vehicle. In the case of a leased vehicle, the applicant must
19 provide a copy of the lease agreement verifying that the applicant currently leases the vehicle.

20 (5) Classification of neighborhood electric vehicles. The registration classification of
21 a neighborhood electric vehicle, as defined by §217.3(3) of this title (relating to Motor Vehicle
22 Titles) will be determined by whether it is designed as a 4-wheeled truck or a 4-wheeled passenger
23 vehicle.

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(6) Number of vehicles. An owner may obtain specialty license plates, symbols, tabs, or other devices for an unlimited number of vehicles, unless the statute limits the number of vehicles for which the specialty license plate may be issued.

(7) Personalized **license** plate numbers.

(A) Issuance. The department will issue a personalized license plate number subject to the exceptions set forth in this paragraph.

(B) Character limit. A personalized license plate number may contain no more than six alpha or numeric characters or a combination of characters. Depending upon the specialty license plate design and vehicle class, the number of characters may vary. Spaces, hyphens, periods, hearts, stars, the International Symbol of Access, or silhouettes of the state of Texas may be used in conjunction with the license plate number.

(C) Personalized **license** plates not approved. A personalized license plate number will not be approved by the executive director if the license plate number ~~[alpha-numeric pattern]~~:

(i) conflicts with the department's current or proposed general issue ~~[regular]~~ license plate numbering system;

(ii) would violate §217.27 of this title (relating to Vehicle Registration Insignia), as determined by the executive director; or

(iii) is currently issued to another owner.

(D) Classifications of vehicles eligible for personalized **license** plates. Unless otherwise listed in subparagraph (E) of this paragraph, personalized **license** plates are available for all classifications of vehicles.

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- 1 (E) Categories of **license** plates for which personalized **license** plates are not
2 available. Personalized license plate numbers are not available for display on the following
3 specialty license plates:
- 4 (i) Amateur Radio (other than the official call letters of the vehicle
5 owner);
 - 6 (ii) Antique Motorcycle;
 - 7 (iii) Antique Vehicle (includes Antique Auto, Antique Truck, and
8 Antique Bus);
 - 9 (iv) Apportioned;
 - 10 (v) Cotton Vehicle;
 - 11 (vi) Disaster Relief;
 - 12 (vii) Farm Trailer (except Go Texan II);
 - 13 (viii) Farm Truck (except Go Texan II);
 - 14 (ix) Farm Truck Tractor (except Go Texan II);
 - 15 (x) Fertilizer;
 - 16 (xi) Forestry Vehicle;
 - 17 (xii) Log Loader;
 - 18 (xiii) Machinery;
 - 19 (xiv) Permit;
 - 20 (xv) Rental Trailer;
 - 21 (xvi) Soil Conservation;
 - 22 (xvii) Texas Guard;
 - 23 (xviii) Golf Cart;

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1 (xix) Package Delivery Vehicle; and

2 (xx) Off-highway Vehicle.

3 (F) Fee. Unless specified by statute, a personalized license plate fee of \$40
4 will be charged in addition to any prescribed specialty license plate fee.

5 (G) Priority. Once a personalized license plate number has been assigned to
6 an applicant, the owner shall have priority to that number for succeeding years if a timely renewal
7 application is submitted to the county tax assessor-collector each year in accordance with
8 subsection (d) of this section.

9 (d) Specialty license plate renewal.

10 (1) Renewal deadline. If a personalized license plate is not renewed within 60 days
11 after its expiration date, a subsequent renewal application will be treated as an application for
12 new personalized license plates.

13 (2) Length of validation. Except as provided by Transportation Code, §§504.401,
14 504.4061, or 504.502, all specialty license plates, symbols, tabs, or other devices shall be valid for
15 12 months from the month of issuance or for a prorated period of at least 12 months coinciding
16 with the expiration of registration.

17 (3) Renewal.

18 (A) Renewal notice. Approximately 60 days before the expiration date of a
19 specialty license plate, symbol, tab, or other device, the department will send each owner a
20 renewal notice that includes the amount of the specialty license plate fee and the registration fee.

21 (B) Return of notice. The owner must return the fee and any prescribed
22 documentation to the tax assessor-collector of the county in which the owner resides or a county
23 tax assessor-collector who is willing to accept the application, except that the owner of a vehicle

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with one of the following license plates must return the documentation, and specialty license plate fee, if applicable, directly to the department and submit the registration fee to a county tax assessor-collector:

- (i) County Judge;
- (ii) Federal Administrative Law Judge;
- (iii) State Judge;
- (iv) State Official;
- (v) U.S. Congress--House;
- (vi) U.S. Congress--Senate; and
- (vii) U.S. Judge.

(C) Expired license plate numbers. The department will retain a specialty license plate number for 60 days after the expiration date of the license plates if the license plates are not renewed on or before their expiration date. After 60 days the number may be reissued to a new applicant. All specialty license plate renewals received after the expiration of the 60 days will be treated as new applications.

(D) Issuance of validation insignia. On receipt of a completed license plate renewal application and prescribed documentation, the department will issue registration validation insignia as specified in §217.27 unless this section or other law requires the issuance of new license plates to the owner.

(E) Lost or destroyed renewal notices. If a renewal notice is lost, destroyed, or not received by the vehicle owner, the specialty license plates, symbol, tab, or other device may be renewed if the owner provides acceptable personal identification along with the appropriate fees and documentation to the tax assessor-collector of the county in which the owner resides or a

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1 county tax assessor-collector who is willing to accept the application. Failure to receive the notice
2 does not relieve the owner of the responsibility to renew the vehicle's registration.

3 (e) Transfer of specialty license plates.

4 (1) Transfer between vehicles.

5 (A) Transferable between vehicles. The owner of a vehicle with specialty
6 license plates, symbols, tabs, or other devices may transfer the specialty **license** plates between
7 vehicles by filing an application through the county tax assessor-collector in which the owner
8 resides or a county tax assessor-collector who is willing to accept the application, if the vehicle to
9 which the **license** plates are transferred:

10 (i) is titled or leased in the owner's name; and

11 (ii) meets the vehicle classification requirements for that particular
12 specialty license plate, symbol, tab, or other device.

13 (B) Non-transferable between vehicles. The following specialty license
14 plates, symbols, tabs, or other devices are non-transferable between vehicles:

15 (i) Antique Vehicle license plates (includes Antique Auto, Antique
16 Truck, and Antique Bus), Antique Motorcycle license plates, and Antique tabs;

17 (ii) Classic Auto, Classic Truck, Classic Motorcycle, Classic Travel
18 Trailer, Street Rod, and Custom Vehicle license plates;

19 (iii) Forestry Vehicle license plates;

20 (iv) Log Loader license plates;

21 (v) Golf Cart license plates;

22 (vi) Package Delivery Vehicle license plates; and

23 (vii) Off-highway Vehicle license plates.

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1 (C) New specialty license plates. If the department creates a new specialty
2 license plate under Transportation Code, §504.801, the department will specify at the time of
3 creation whether the license plate may be transferred between vehicles.

4 (2) Transfer between owners.

5 (A) Non-transferable between owners. Specialty license plates, symbols,
6 tabs, or other devices issued under Transportation Code, Chapter 504, Subchapters C, E, and F are
7 not transferable from one person to another except as specifically permitted by statute.

8 (B) New specialty license plates. If the department creates a new specialty
9 license plate under Transportation Code, §504.801, the department will specify at the time of
10 creation whether the license plate may be transferred between owners.

11 (3) Simultaneous transfer between owners and vehicles. Specialty license
12 plates, symbols, tabs, or other devices are transferable between owners and vehicles
13 simultaneously only if the owners and vehicles meet all the requirements in both paragraphs (1)
14 and (2) of this subsection.

15 (f) Replacement.

16 (1) Application. When specialty license plates, symbols, tabs, or other devices are
17 lost, stolen, or mutilated, the owner shall apply directly to a county tax assessor-collector for the
18 issuance of replacements.

19 (2) Temporary registration insignia. If the specialty license plate, symbol, tab, or
20 other device is lost, destroyed, or mutilated to such an extent that it is unusable, and if issuance of
21 a replacement license plate would require that it be remanufactured, the owner must pay the
22 statutory replacement fee, and the department will issue a temporary tag for interim use. The
23 owner's new specialty license plate number will be shown on the temporary tag unless it is a

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personalized license plate, in which case the same personalized license plate number will be shown.

(3) Stolen specialty license plates.

(A) The department or county tax assessor-collector will not approve the issuance of replacement license plates with the same personalized license plate number if the department's records indicate either the vehicle displaying the personalized license plates or the license plates are reported as stolen to law enforcement. The owner will be directed to contact the department for another personalized **license** plate choice.

(B) The owner may select a different personalized number to be issued at no charge with the same expiration as the stolen specialty **license** plate. On recovery of the stolen vehicle or license plates, the department will issue, at the owner's or applicant's request, replacement license plates, bearing the same personalized number as those that were stolen.

(g) License plates created after January 1, 1999. In accordance with Transportation Code, §504.702, the department will begin to issue specialty license plates authorized by a law enacted after January 1, 1999, only if the sponsoring entity for that license plate submits the following items before the fifth anniversary of the effective date of the law.

(1) The sponsoring entity must submit a written application. The application must be on a form approved by the director and include, at a minimum:

(A) the name of the license plate;

(B) the name and address of the sponsoring entity;

(C) the name and telephone number of a person authorized to act for the sponsoring entity; and

(D) the deposit.

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(2) A sponsoring entity is not an agent of the department and does not act for the department in any matter, and the department does not assume any responsibility for fees or applications collected by a sponsoring entity.

(h) Assignment procedures for state, federal, and county officials.

(1) State Officials. State Official license plates contain the distinguishing prefix "SO." Members of the state legislature may be issued up to three sets of State Official specialty license plates with the distinguishing prefix "SO," or up to three sets of State Official specialty license plates that depict the state capitol, and do not display the distinguishing prefix "SO." An application by a member of the state legislature, for a State Official specialty license plate, must specify the same specialty license plate design for each applicable vehicle. State Official license plates are assigned in the following order:

(A) Governor;

(B) Lieutenant Governor;

(C) Speaker of the House;

(D) Attorney General;

(E) Comptroller;

(F) Land Commissioner;

(G) Agriculture Commissioner;

(H) Secretary of State;

(I) Railroad Commission;

(J) Supreme Court Chief Justice followed by the remaining justices based on their seniority;

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1 (K) Criminal Court of Appeals Presiding Judge followed by the remaining
2 judges based on their seniority;

3 (L) Members of the State Legislature, with Senators assigned in order of
4 district number followed by Representatives assigned in order of district number, except that in
5 the event of redistricting, license plates will be reassigned; and

6 (M) Board of Education Presiding Officer followed by the remaining
7 members assigned in district number order, except that in the event of redistricting, license plates
8 will be reassigned.

9 (2) Members of the U.S. Congress.

10 (A) U.S. Senate license plates contain the prefix "Senate" and are assigned
11 by seniority; and

12 (B) U.S. House license plates contain the prefix "House" and are assigned in
13 order of district number, except that in the event of redistricting, license plates will be reassigned.

14 (3) Federal Judge.

15 (A) Federal Judge license plates contain the prefix "USA" and are assigned
16 on a seniority basis within each court in the following order:

17 (i) Judges of the Fifth Circuit Court of Appeals;

18 (ii) Judges of the United States District Courts;

19 (iii) United States Bankruptcy Judges; and

20 (iv) United States Magistrates.

21 (B) Federal Administrative Law Judge **license** plates contain the prefix "US"
22 and are assigned in the order in which applications are received.

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(C) A federal judge who retired on or before August 31, 2003, and who held license plates expiring in March 2004 may continue to receive federal judge **license** plates. A federal judge who retired after August 31, 2003, is not eligible for U.S. Judge license plates.

(4) State Judge.

(A) State Judge license plates contain the prefix "TX" and are assigned sequentially in the following order:

(i) Appellate District Courts;

(ii) Presiding Judges of Administrative Regions;

(iii) Judicial District Courts;

(iv) Criminal District Courts; and

(v) Family District Courts and County Statutory Courts.

(B) A particular alpha-numeric combination will always be assigned to a judge of the same court to which it was originally assigned.

(C) A state judge who retired on or before August 31, 2003, and who held license plates expiring in March 2004 may continue to receive state judge plates. A state judge who retired after August 31, 2003, is not eligible for State Judge license plates.

(5) County Judge license plates contain the prefix "CJ" and are assigned by county number.

(6) In the event of redistricting or other **license** plate reallocation, the department may allow a state official to retain that official's plate number if the official has had the number for five or more consecutive years.

(i) Development of new specialty license plates.

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1 (1) Procedure. The following procedure governs the process of authorizing new
2 specialty license plates under Transportation Code, §504.801, whether the new license plate
3 originated as a result of an application or as a department initiative.

4 (2) Applications for the creation of new specialty license plates. An applicant for the
5 creation of a new specialty license plate, other than a vendor specialty plate under §217.52 of this
6 title (relating to Marketing of Specialty License Plates through a Private Vendor), must submit a
7 written application on a form approved by the executive director. The application must include:

8 (A) the applicant's name, address, telephone number, and other identifying
9 information as directed on the form;

10 (B) certification on Internal Revenue Service letterhead stating that the
11 applicant is a not-for-profit entity;

12 (C) a draft design of the specialty license plate;

13 (D) projected sales of the **license** plate, including an explanation of how the
14 projected figure was established;

15 (E) a marketing plan for the **license** plate, including a description of the
16 target market;

17 (F) a licensing agreement from the appropriate third party for any
18 intellectual property design or design element;

19 (G) a letter from the executive director of the sponsoring state agency
20 stating that the agency agrees to receive and distribute revenue from the sale of the specialty
21 license plate and that the use of the funds will not violate a statute or constitutional provision; and

22 (H) other information necessary for the board to reach a decision regarding
23 approval of the requested specialty **license** plate.

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1 (3) Review process. The board:

2 (A) will not consider incomplete applications;

3 (B) may request additional information from an applicant if necessary for a
4 decision; and

5 (C) will consider specialty license plate applications that are restricted by
6 law to certain individuals or groups of individuals (qualifying license plates) using the same
7 procedures as applications submitted for license plates that are available to everyone (non-
8 qualifying license plates).

9 (4) Request for additional information. If the board determines that additional
10 information is needed, the applicant must return the requested information not later than the
11 requested due date. If the additional information is not received by that date, the board will return
12 the application as incomplete unless the board:

13 (A) determines that the additional requested information is not critical for
14 consideration and approval of the application; and

15 (B) approves the application, pending receipt of the additional information
16 by a specified due date.

17 (5) Board decision. The board's decision will be based on:

18 (A) compliance with Transportation Code, §504.801;

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

20 (i) whether the design appears to meet the legibility and reflectivity
21 standards established by the department;

22 (ii) whether the design meets the standards established by the
23 department for uniqueness;

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(iii) other information provided during the application process;

(iv) the criteria designated in §217.27 as applied to the design; and

(v) whether a design is similar enough to an existing plate design

that it may compete with the existing **license** plate sales; and

(C) the applicant's ability to comply with Transportation Code, §504.702

relating to the required deposit or application that must be provided before the manufacture of a new specialty license plate.

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

(7) Final approval.

(A) Approval. The board will approve or disapprove the specialty license plate application based on all of the information provided pursuant to this subchapter at an open meeting.

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1 (B) Application not approved. If the application is not approved under
2 subparagraph (A) of this paragraph, the applicant may submit a new application and supporting
3 documentation for the design to be considered again by the board if:

4 (i) the applicant has additional, required documentation; or

5 (ii) the design has been altered to an acceptable degree.

6 (8) Issuance of specialty license plates.

7 (A) If the specialty license plate is approved, the applicant must comply with
8 Transportation Code, §504.702 before any further processing of the license plate.

9 (B) Approval of the license plate does not guarantee that the submitted
10 draft license plate design will be used. The board has final approval authority of all specialty
11 license plate designs and may adjust or reconfigure the submitted draft design to comply with the
12 format or license plate specifications.

13 (C) If the board, in consultation with the applicant, adjusts or reconfigures
14 the design, the adjusted or reconfigured design will not be posted on the department's website for
15 additional comments.

16 (9) Redesign of specialty license plate.

17 (A) Upon receipt of a written request from the applicant, the department
18 will allow redesign of a specialty license plate.

19 (B) A request for a redesign must meet all application requirements and
20 proceed through the approval process of a new specialty license plate as required by this
21 subsection.

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1 (C) An approved license plate redesign does not require the deposit
2 required by Transportation Code, §504.702, but the applicant must pay a redesign cost to cover
3 administrative expenses.

4 (j) Golf carts.

5 (1) A county tax assessor-collector may issue golf cart license plates as long as the
6 requirements under Transportation Code, §551.403 or §551.404 are met.

7 (2) A county tax assessor-collector may only issue golf cart license plates to
8 residents or property owners of the issuing county.

9 (3) A golf cart license plate may not be used as a registration insignia, and a golf
10 cart may not be registered for operation on a public highway.

11 (4) The license plate fee for a golf cart license plate is \$10.

12 (k) Off-highway vehicle.

13 (1) A county tax assessor-collector may issue off-highway vehicle license plates as
14 long as the requirements under Transportation Code, §551A.053 or §551A.055 are met.

15 (2) An off-highway vehicle license plate may not be used as a registration insignia,
16 and an off-highway vehicle may not be registered for operation on a public highway.

17 (3) The license plate fee for an off-highway vehicle license plate is \$10.

18 (l) Package delivery vehicle.

19 (1) A county tax assessor-collector may issue package delivery license plates as long
20 as the requirements under Transportation Code, §§551.453, 551.454, and 551.455 are met.

21 (2) The license plate fee for a package delivery license plate is \$25 to be paid on an
22 annual basis.

23

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1 217.46. Commercial Vehicle Registration.

2 (a) Eligibility. A motor vehicle is required to register as a commercial vehicle if it meets the
3 definition under Transportation Code, §502.001(7). ~~{A motor vehicle, other than a motorcycle or~~
4 ~~moped, designed or used primarily for the transportation of property, including any passenger car~~
5 ~~that has been reconstructed to be used, and is being used, primarily for delivery purposes, with~~
6 ~~the exception of a passenger car used in the delivery of the United States mail, must be registered~~
7 ~~as a commercial vehicle.}~~

8 (b) Commercial vehicle registration classifications.

9 (1) Apportioned license plates. Apportioned license plates are issued in lieu of
10 Combination, Motor Bus, or Truck license plates to Texas carriers who proportionally register their
11 fleets in other states, in conformity with §217.56 of this title (relating to Registration Reciprocity
12 Agreements).

13 (2) City bus license plates. A street or suburban bus shall be registered with license
14 plates bearing the legend "City Bus."

15 (3) Combination license plates.

16 (A) Specifications. A truck or truck-tractor with a gross weight in excess of
17 10,000 pounds used or to be used in combination with a semitrailer having a gross weight in excess
18 of 6,000 pounds, may be registered with combination license plates. Such vehicles must be
19 registered for a gross weight equal to the combined gross weight of all the vehicles in the
20 combination, but not less than 18,000 pounds. Only one combination license plate is required and
21 must be displayed on the front of the truck or truck-tractor. When displaying a combination license
22 plate, a truck or truck-tractor is not restricted to pulling a semitrailer licensed with a Token Trailer
23 license plate and may legally pull semitrailers and full trailers displaying other types of Texas

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license plates or license plates issued out of state. The following vehicles may not be registered in combination:

(i) trucks or truck-tractors having a gross weight of less than 10,000 pounds or trucks or truck-tractors to be used exclusively in combination with semitrailers having gross weights not exceeding 6,000 pounds;

(ii) semitrailers with gross weights of 6,000 pounds or less, or semitrailers that are to be operated exclusively with trucks or truck-tractors having gross weight of less than 10,000 pounds;

(iii) trucks or truck-tractors used exclusively in combination with semitrailer-type vehicles displaying Machinery, Permit, or Farm Trailer license plates;

(iv) trucks or truck-tractors used exclusively in combination with travel trailers and manufactured housing;

(v) trucks or truck-tractors to be registered with Farm Truck or Farm Truck Tractor license plates;

(vi) trucks or truck-tractors and semitrailers to be registered with disaster relief license plates;

(vii) trucks or truck-tractors and semitrailers to be registered with Soil Conservation license plates;

(viii) trucks or truck-tractors and semitrailers to be registered with U.S. Government license plates or Exempt license plates issued by the State of Texas; and

(ix) vehicles that are to be issued special registration ~~[temporary]~~ permits, such as 72-Hour Permits or 144-Hour Permits; or special registration license plates,

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1 such as One Trip license plates [Permits,] or 30-Day [trip] license plates [Permits] in accordance
2 with Transportation Code, §502.094 and §502.095.

3 (B) Converted semitrailers. Semitrailers that are converted to full trailers by
4 means of auxiliary axle assemblies will retain their semitrailer status, and such semitrailers are
5 subject to the combination and token trailer registration requirements.

6 (C) Axle assemblies. Various types of axle assemblies that are specially
7 designed for use in conjunction with other vehicles or combinations of vehicles may be used to
8 increase the load capabilities of such vehicles or combinations.

9 (i) Auxiliary axle assemblies such as trailer axle converters, jeep
10 axles, and drag axles, which are used in conjunction with truck-tractor and semitrailer
11 combinations, are not required to be registered; however, the additional weight that is acquired by
12 the use of such axle assemblies must be included in the combined gross weight of the
13 combination.

14 (ii) Ready-mixed concrete trucks that have an auxiliary axle assembly
15 installed for the purpose of increasing a load capacity of such vehicles must be registered for a
16 weight that includes the axle assembly.

17 (D) Exchange of Combination license plates. Combination license plates
18 shall not be exchanged for another type of registration during the registration year, except that:

19 (i) if a major permanent reconstruction change occurs, Combination
20 license plates may be exchanged for Truck license plates, provided that a corrected title is applied
21 for;

22 (ii) if the department initially issues Combination license plates in
23 error, the plates will be exchanged for license plates of the proper classification;

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(iii) if the department initially issues Truck or Trailer license plates in error to vehicles that should have been registered in combination, such **license** plates will be exchanged for Combination and Token Trailer license plates; or

(iv) if a Texas apportioned carrier acquires a combination license power unit, the Combination license plates will be exchanged for Apportioned license plates.

~~[(4) Cotton Vehicle license plates. The department will issue Cotton Vehicle license plates in accordance with Transportation Code, §504.505 and §217.45 of this title (relating to Specialty License Plates, Symbols, Tabs, and Other Devices).]~~

~~[(5) Forestry Vehicle license plates. The department will issue Forestry Vehicle license plates in accordance with Transportation Code, §504.507 and §217.45 of this title.]~~

~~[(6) In Transit license plates. The department may issue an In Transit license plate annually to any person, firm, or corporation engaged in the primary business of transporting and delivering by means of the full mount, saddle mount, tow bar, or any other combination, new vehicles and other vehicles from the manufacturer or any other point of origin to any point of destination within the State. Each new vehicle being transported, delivered, or moved under its own power in accordance with this paragraph must display an In Transit license plate in accordance with Transportation Code, §503.035.]~~

(4)~~[(7)]~~ Motor Bus license plates. A motor bus as well as a taxi and other vehicles that transport passengers for compensation or hire, must display Motor Bus license plates when operated outside the limits of a city or town, or adjacent suburb, in which its company is franchised to do business.

(5)~~[(8)]~~ Token Trailer license plates.

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1 (A) Qualification. The department will issue Token Trailer license plates for
2 semitrailers that are required to be registered in combination.

3 (B) Validity. A Token Trailer license plate is valid only when it is displayed on
4 a semitrailer that is being pulled by a truck or a truck-tractor that has been properly registered
5 with Forestry Vehicle (in accordance with Transportation Code, §504.507), Combination (in
6 accordance with Transportation Code, §502.255), or Apportioned (in accordance with
7 Transportation Code, §502.091) license plates for combined gross weights that include the weight
8 of the semitrailer, unless exempted by Transportation Code, §502.094 and §623.011.

9 (C) House-moving dollies. House-moving dollies are to be registered with
10 Token Trailer license plates and titled as semitrailers; however, only one such dolly in a
11 combination is required to be registered and titled. The remaining dolly (or dollies) is permitted to
12 operate unregistered, since by the nature of its construction, it is dependent upon another such
13 vehicle in order to function. The pulling unit must display a Combination or Apportioned license
14 plate.

15 (D) Full trailers. The department will not issue a Token Trailer license plate
16 for a full trailer.

17 (6)~~[(9)]~~ Tow Truck license plates. A Tow Truck license plate must be obtained for all
18 tow trucks operating and registered in this state. The department will not issue a Tow Truck license
19 plate unless the Texas Department of Licensing and Regulation has issued a permit for the tow
20 truck under Occupations Code, Chapter 2308, Subchapter C.

21 (c) Application for commercial vehicle registration.

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1 (1) Application form. An applicant shall apply for commercial license plates through
2 the appropriate county tax assessor-collector upon forms prescribed by the director and shall
3 require, at a minimum, the following information:

4 (A) owner name and complete address;

5 (B) complete description of vehicle, including empty weight; and

6 (C) vehicle identification number or serial number.

7 (2) Empty weight determination.

8 (A) The weight of a Motor Bus shall be the empty weight plus carrying
9 capacity, in accordance with Transportation Code, §502.055.

10 (B) The weight of a vehicle cannot be lowered below the weight indicated
11 on a Manufacturer's Certificate of Origin unless a corrected Manufacturer's Certificate of Origin is
12 obtained.

13 (C) In all cases where the department questions the empty weight of a
14 particular vehicle, the applicant should present a weight certificate from a public weight scale or
15 the Department of Public Safety.

16 (3) Gross weight.

17 (A) Determination of Weight. The combined gross weight of vehicles
18 registering for combination license plates shall be determined by the empty weight of the truck or
19 truck-tractor combined with the empty weight of the heaviest semitrailer or semitrailers used or to
20 be used in combination therewith, plus the heaviest net load to be carried on such combination
21 during the motor vehicle registration year, provided that in no case may the combined gross
22 weight be less than 18,000 pounds.

23 (B) Restrictions. The following restrictions apply to combined gross weights.

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(i) After a truck or truck-tractor is registered for a combined gross weight, such weight cannot be lowered at any subsequent date during the registration year. The owner may, however, lower the gross weight when registering the vehicle for the following registration year, provided that the registered combined gross weight is sufficient to cover the heaviest load to be transported during the year and provided that the combined gross weight is not less than 18,000 pounds.

(ii) A combination of vehicles is restricted to a total gross weight not to exceed 80,000 pounds; however, all combinations may not qualify for 80,000 pounds unless such weight can be properly distributed in accordance with axle load limitations, and distance between axles, in accordance with Transportation Code, §623.011.

(4) Vehicle identification number or serial number. Ownership may ~~must~~ be established by a court order or by securing a bond if no vehicle identification number or serial number can be identified. Once ownership has been established, the department will assign a number upon payment of the fee.

(5) Accompanying documentation. Unless otherwise exempted by law, completed applications for commercial license plates shall be accompanied by:

- (A) prescribed registration fees;
- (B) prescribed local fees or other fees that are collected in conjunction with registering a vehicle;
- (C) evidence of financial responsibility as required by Transportation Code, §502.046 if the applicant is a motor carrier as defined by §218.2 of this title (relating to Definitions), proof of financial responsibility may be in the form of a registration listing or an

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international stamp indicating that the vehicle is registered in compliance with Chapter 218,
Subchapter B of this title (relating to Motor Carrier Registration);

(D) an application for Texas Title in accordance with Subchapter A of this
chapter, or other proof of ownership;

(E) proof of payment of the Federal Heavy Vehicle Use Tax, if applicable;

(F) an original or certified copy of the current permit issued in accordance
with Occupations Code, Chapter 2308, Subchapter C, if application is being made for Tow Truck
license plates; and

(G) other documents or fees required by law.

(6) Proof of payment required. Proof of payment of the Federal Heavy Vehicle Use
Tax is required for vehicles with a gross registration weight of 55,000 pounds or more, or in cases
where the vehicle's gross weight is voluntarily increased to 55,000 pounds or more. Proof of
payment shall consist of an original or photocopy of the Schedule 1 portion of Form 2290 receipted
by the Internal Revenue Service (IRS), or a copy of the Form 2290 with Schedule 1 attached as filed
with the IRS, along with a photocopy of the front and back of the canceled check covering the
payment to the IRS.

(7) Proof of payment not required. Proof of payment of the Federal Heavy Vehicle
Use Tax is not required:

(A) for new vehicles when an application for title and registration is
supported by a Manufacturer's Certificate of Origin;

(B) on used vehicles when an application for title and registration is filed
within 60 days from the date of transfer to the applicant as reflected on the assigned title, except

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1 that proof of payment will be required when an application for Texas title and registration is
2 accompanied by an out-of-state title that is recorded in the name of the applicant;

3 (C) when a vehicle was previously wrecked, in storage, or otherwise out of
4 service and, therefore, not registered or operated during the current registration year or during
5 the current tax year, provided that a non-use affidavit is signed by the operator; and

6 (D) as a prerequisite to registration of vehicles apprehended for operating
7 without registration or reciprocity or when an owner or operator purchases special registration
8 [temporary operating] permits or special registration license plates [additional weight].

9 (d) Renewal of commercial license plates.

10 (1) Registration period. The department will establish the registration period for
11 commercial vehicles, unless specified by statute. Commercial license plates are issued for
12 established annual registration periods as follows.

13 (A) March expiration. If a fleet under §217.54 of this title (relating to
14 Registration of Fleet Vehicles) contains a vehicle with a combination license plate, the established
15 annual registration period for the fleet is April 1st through March 31st.

16 (B) Five-year registration with March 31st expiration. The following license
17 plates are available with a five-year registration period. Registration fees for the license plates
18 listed below may be paid on an annual basis, or may be paid up front for the entire five-year
19 period:

20 (i) Five-year Rental Trailer license plates issued for rental trailers
21 that are part of a rental fleet; and

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(ii) Five-year Token Trailer license plates, available to owners of semitrailers to be used in combination with truck-tractors displaying Apportioned or Combination license plates.

(2) Registration Renewal Notice. The department will send a registration renewal notice, indicating the proper registration fee and the month and year the registration expires, to each vehicle owner approximately six to eight weeks prior to the expiration of the vehicle's registration.

(3) Return of registration renewal notices. Except for authorized online renewals, registration renewal notices should be returned by the vehicle owner to the department or the appropriate county tax assessor-collector, as indicated on the registration renewal notice. Unless otherwise exempted by law, registration renewal notices may be returned either in person or by mail, and shall be accompanied by:

- (A) statutorily prescribed registration renewal fees;
- (B) prescribed local fees or other fees that are collected in conjunction with registration renewal;
- (C) evidence of financial responsibility as required by Transportation Code, §502.046; and
- (D) other prescribed documents or fees.

(4) Lost or destroyed registration renewal notice. If a registration renewal notice is lost, destroyed, or not received by the vehicle owner, the vehicle may be registered if the owner presents personal identification acceptable to the county tax assessor-collector. Failure to receive the notice does not relieve the owner of the responsibility to renew the vehicle's registration.

(e) Transfer of commercial vehicle license plates.

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(1) Transfer between persons. With the exceptions noted in paragraph (3) of this subsection, when ownership of a vehicle displaying commercial vehicle license plates is transferred, application for transfer of such license plates shall be made with the county tax assessor-collector in the county in which the purchaser resides or a county tax assessor-collector who is willing to accept the application. If the purchaser does not intend to use the vehicle in a manner that would qualify it for the license plates issued to that vehicle, such **license** plates must be exchanged for the appropriate license plates.

(2) Transfer between vehicles. Commercial vehicle license plates are non-transferable between vehicles.

(3) Transfer of Apportioned and Tow Truck license plates. Apportioned and Tow Truck license plates are non-transferable between persons or vehicles, and become void if the vehicle to which the license plates were issued is sold.

(f) Replacement of lost, stolen, or mutilated commercial vehicle license plates. An owner of lost, stolen, or mutilated commercial vehicle license plates may obtain replacement license plates by filing an Application for Replacement Plates and remitting the prescribed fee to the county tax assessor-collector or from the department.

217.50. Equipment and Vehicles Within Road Construction Projects.

Road construction equipment (machinery type vehicles) operating laden or unladen within the limits of a project are not required to display the \$5 machinery license plate, regardless of the intermingling of regular vehicular traffic; however, conventional commercial vehicles operating within the limits of a project shall be required to be registered with regular commercial plates whenever traffic is allowed to intermingle. ~~[A highway construction project is that section of the highway between the warning signs giving notice of a construction area.]~~

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217.52. Marketing of Specialty License Plates through a Private Vendor.

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

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

(1) Approval required. The vendor shall obtain the approval of the board for each license plate design the vendor proposes to market in accordance with this section and the contract entered into between the vendor and the department.

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

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

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

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

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

(E) other information necessary for the board to reach a decision regarding approval of the requested vendor specialty license plate.

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

(1) will not consider incomplete applications; and

(2) may request additional information from the vendor to reach a decision.

(d) Board decision.

(1) Decision. The decision of the board will be based on:

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

(B) the proposed license plate design, including:

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

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

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

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

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

(vi) other information provided during the application process.

(2) Public comment on proposed design. All proposed **license** plate designs will be considered by the board as an agenda item at a regularly or specially called open meeting. Notice of consideration of proposed **license** plate designs will be posted in accordance with Office of the

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1 Secretary of State meeting notice requirements. Notice of each license plate design will be posted
2 on the department's Internet web site to receive public comment at least 25 days in advance of
3 the meeting at which it will be considered. The department will notify all specialty **license** plate
4 organizations and the sponsoring agencies who administer specialty license plates issued in
5 accordance with Transportation Code, Chapter 504, Subchapter G, of the posting. A comment on
6 the proposed design can be submitted in writing through the mechanism provided on the
7 department's Internet web site for submission of comments. Written comments are welcome and
8 must be received by the department at least 10 days in advance of the meeting. Public comment
9 will be received at the board's meeting.

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

11 (1) Approval. The board will approve or disapprove the specialty license plate
12 application based on all of the information provided pursuant to this subchapter in an open
13 meeting.

14 (2) Application not approved. If the application is not approved, the applicant may
15 submit a new application and supporting documentation for the design to be considered again by
16 the board if:

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

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

19 (3) Issuance of approved specialty **license** plates.

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

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1 (B) Approval of the specialty license plate does not guarantee that the
2 submitted draft specialty license plate design will be used. The board has final approval of all
3 specialty license plate designs and will provide guidance on the submitted draft design to ensure
4 compliance with the format and specialty license plate specifications.

5 (f) Redesign of vendor specialty license plates.

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

8 (2) The vendor must pay the redesign administrative costs as provided in the
9 contract between the vendor and the department.

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

12 (h) License plate categories and associated fees. The categories and the associated fees for
13 vendor specialty license plates are set out in this subsection.

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

21 (2) T-Plates (Premium) license plates. T-Plates (Premium) license plates may be
22 personalized with up to seven alphanumeric characters, including the "T," on colored backgrounds

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or designs approved by the department. The fees for issuance of T-Plates (Premium) license plates are \$150 for one year, \$400 for three years, and \$450 for five years.

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

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

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

(6) Vendor souvenir license plates. Vendor souvenir license plates are replicas of vendor specialty license plate designs that may be personalized with up to 24 alphanumeric characters. Vendor souvenir license plates are not street legal or legitimate insignias of vehicle registration. The fee for issuance of souvenir license plates is \$40.

(7) Auction ~~[of alphanumeric patterns]~~. The vendor may auction ~~[alphanumeric patterns]~~ department approved alpha numeric license plate numbers for one, three, or five year terms with options to renew indefinitely at the current price established for a one, three, or five year luxury category license plate. The purchaser of the auction ~~[pattern]~~ license plate number may select from the vendor background designs at no additional charge at the time of initial

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1 issuance. The auction [~~pattern~~] license plate number may be moved from one vendor design plate
2 to another vendor design license plate as provided in subsection (n)(1) of this section. The auction
3 [~~pattern~~] license plate number may be transferred from owner to owner as provided in subsection
4 (l)(2) of this section.

5 (8) Personalization and specialty license plate fees.

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

8 (B) The personalization fee for license plates applied for after November 19,
9 2009 is \$40 if the license plates are issued pursuant to Transportation Code, Chapter 504,
10 Subchapters G and I.

11 (C) If the license plates are renewed annually, the personalization and
12 specialty license plate fees remain the same fee as at the time of issuance if a sponsor of a
13 specialty license plate authorized under Transportation Code, Chapter 504, Subchapters G and I
14 signs a contract with the vendor in accordance with Transportation Code, Chapter 504, Subchapter
15 J.

16 (i) Payment of fees.

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

21 (2) Payment of statutory registration fees. To be valid for use on a motor vehicle,
22 the license plate owner is required to pay, in addition to the vendor specialty license plate fees,

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any statutorily required registration fees in the amount as provided by Transportation Code, Chapter 502, and this subchapter.

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

(k) Replacement.

(1) Application. An owner must apply directly to the county tax assessor-collector for the issuance of replacement vendor specialty license plates and must pay the fee described in paragraphs (2) or (3) of this subsection, whichever applies.

(2) Lost or mutilated vendor specialty license plates. To replace vendor specialty license plates that are lost or mutilated, the owner must pay the statutory replacement fee provided in Transportation Code, §504.007.

(3) Optional replacements. An owner of a vendor specialty license plate may replace vendor specialty license plates by submitting a request to the county tax assessor-collector accompanied by the payment of a \$6 fee.

(4) Interim replacement ~~[tags]~~ license plates. If the vendor specialty license plates are lost or mutilated to such an extent that they are unusable, replacement specialty license plates ~~[will need to]~~ may be remanufactured. The county tax assessor-collector will issue interim replacement ~~[tags]~~ general issue license plates for use until the replacements are available. ~~[The owner's vendor specialty license plate number will be shown on the interim replacement tags.]~~

(5) Stolen vendor specialty license plates. The county tax assessor-collector will not approve the issuance of replacement vendor specialty license plates with the same license plate

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number if the department's records indicate that the vehicle displaying that license plate number was reported stolen or the license plates themselves were reported stolen to law enforcement.

(l) Transfer of vendor specialty license plates.

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

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

(B) meets the vehicle classification requirements for that ~~[particular]~~ specialty license plate.

(2) Transfer between owners. Vendor specialty license plates may not be transferred between persons unless the specialty license plate ~~[pattern]~~ number was initially purchased through auction as provided in subsection (h)(7) of this section. An auctioned ~~[alphanumeric pattern]~~ license plate number may be transferred as a specialty license plate or as a virtual pattern to be manufactured on a new background as provided under the restyle option in subsection (n)(1) of this section. In addition to the fee paid at auction, the new owner of an auctioned ~~[alphanumeric pattern]~~ license plate number or plate will pay the department a fee of \$25 to cover the cost of the transfer, and complete the department's prescribed application at the time of transfer.

(m) Gift license plates.

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

(A) the purchaser's name and address;

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1 (B) the name and address of the person who will receive the license plates;
2 and

3 (C) the vehicle identification number of the vehicle on which the license
4 plates will be displayed or a statement that the license plates will not be displayed on a vehicle.

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

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

12 (1) For the purposes of this subsection, "restyled license plate" is a vendor specialty
13 license plate that has a different style from the originally purchased vendor specialty license plate
14 but:

15 (A) is within the same price category, except if the ~~[pattern is an auction~~
16 ~~pattern]~~ license plate number was purchased through auction; and

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

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

20

21 217.53. Disposition [Removal] of License Plates and Registration Insignia upon Sale or Transfer of Motor
22 Vehicle

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(a) Upon the sale or transfer of a motor vehicle to a dealer that holds a general distinguishing number (dealer), general issue license plates shall be removed and retained for issuance to a subsequent retail purchaser of that motor vehicle and the registration insignia shall be removed and disposed of by the dealer as provided in Transportation Code, §502.491 and §504.901. If a dealer transfers a motor vehicle in a transaction other than a retail sale, the removed general issue license plates shall transfer with the motor vehicle. [(a) Purpose. Transportation Code, Chapter 502, Subchapter L and Chapter 504, Subchapter K, provide for the removal of the license plates and registration insignia when a motor vehicle is sold or transferred. Motor vehicles eligible for this process are limited to a passenger car or a light truck, as those terms are defined in Transportation Code, §502.001.]

(b) Upon the sale or transfer of a motor vehicle in which neither party is a dealer, the registration insignia and the general issue license plates remain with the motor vehicle as provided in Transportation Code, §502.491(b) and §504.901. [Disposition of removed license plates. License plates removed from a motor vehicle by a licensed motor vehicle dealer or by a motor vehicle owner in a private transaction as provided in Transportation Code, §502.491, may be:]

[(1) transferred to another vehicle:]

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

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

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

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1 ~~[(2) disposed of in a manner that renders the license plates unusable or that~~
2 ~~ensures the license plates will not be available for fraudulent use on a motor vehicle; or]~~

3 ~~[(3) retained by the owner of the motor vehicle from which the license plates were~~
4 ~~removed.]~~

5 (c) A license plate other than a general issue license plate shall be removed by the owner of a
6 motor vehicle that is sold or transferred. Removed license plates may be transferred if eligible;
7 otherwise, must be disposed of in a manner that renders the license plates unusable or that ensures the
8 license plates will not be available for fraudulent use on a motor vehicle.

9 ~~[(c) Vehicle transit permit.]~~

10 ~~[(1) Obtaining a vehicle transit permit. A person who obtains a motor vehicle in a~~
11 ~~private transaction may obtain one vehicle transit permit (temporary single-trip permit), through~~
12 ~~the department's website at www.txdmv.gov if the seller or transferor has removed the license~~
13 ~~plates and registration insignia.]~~

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

19 (d) If the purchaser at a retail sale chooses to obtain replacement general issue license plates,
20 the replaced license plates must be disposed of in a manner that renders the license plates unusable or
21 that ensures the license plates will not be available for fraudulent use on a motor vehicle.

22
23 217.54. Registration of Fleet Vehicles.

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1 (a) Scope. A registrant may consolidate the registration of multiple motor vehicles in a fleet
2 instead of registering each vehicle separately. A fleet may include trailers and semitrailers. Except
3 as provided by §217.55 of this title (relating to Exempt and Alias Vehicle Registration), to
4 consolidate registration, a registration must meet the requirements of this section.

5 (b) Eligibility. A fleet must meet the following requirements to be eligible for fleet
6 registration.

7 (1) No fewer than 12 vehicles will be registered as a fleet;

8 (2) Vehicles may be registered in annual increments for up to eight years;

9 (3) All vehicles in a fleet must be owned by or leased to the same business entity;

10 (4) All vehicles must be vehicles that are not registered under the International
11 Registration Plan; and

12 (5) Each vehicle must currently be titled in Texas or be issued a registration receipt,
13 or the registrant must submit an application for a title or registration for each vehicle.

14 (c) Application.

15 (1) Application for fleet registration must be in a form prescribed by the
16 department. At a minimum the form will require:

17 (A) the full name and complete address of the registrant;

18 (B) a description of each vehicle in the fleet, which may include the vehicle's
19 model year, make, model, vehicle identification number, document number, body style, gross
20 weight, empty weight, and for a commercial vehicle, manufacturer's rated carrying capacity in
21 tons;

22 (C) the existing license plate number, if any, assigned to each vehicle; and

23 (D) any other information that the department may require.

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- 1 (2) The application must be accompanied by the following items:
- 2 (A) in the case of a leased vehicle, a certification that the vehicle is currently
- 3 leased to the person to whom the fleet registration will be issued;
- 4 (B) registration fees prescribed by law for the entire registration period
- 5 selected by the registrant;
- 6 (C) local fees or other fees prescribed by law and collected in conjunction
- 7 with registering a vehicle for the entire registration period selected by the registrant;
- 8 (D) evidence of financial responsibility for each vehicle as required by
- 9 Transportation Code, §502.046, unless otherwise exempted by law;
- 10 (E) annual proof of payment of Heavy Vehicle Use Tax;
- 11 (F) the state's portion of any applicable ~~[the vehicle inspection]~~ fee under
- 12 Transportation Code, Chapter 548; and
- 13 (G) any other documents or fees required by law.
- 14 (d) Registration period.
- 15 (1) The fleet owner will designate a single registration period for a fleet so the
- 16 registration period for each vehicle will expire on the same date.
- 17 (2) The fleet registration period will begin on the first day of a calendar month and
- 18 end on the last day of a calendar month.
- 19 (e) Registration receipt and fleet license plates.
- 20 (1) As evidence of registration, the department will issue a registration receipt and
- 21 one or two metal fleet license plates for each vehicle in a fleet.
- 22 (2) The registration receipt for each vehicle shall at all times be carried in that
- 23 vehicle and be available to law enforcement personnel upon request.

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(3) A registration receipt or fleet license plate may not be transferred between vehicles, owners, or registrants.

(f) Fleet composition.

(1) A registrant may add a vehicle to a fleet at any time during the registration period. An added vehicle will be given the same registration period as the fleet and will be issued one or two metal fleet license plates and a registration receipt.

(2) A registrant may remove a vehicle from a fleet at any time during the registration period. After a vehicle is removed from the fleet, the fleet registrant shall either return the metal fleet license plates for that vehicle to the department or provide the department with acceptable proof that the metal fleet license plates for that vehicle have been destroyed. Credit for any vehicle removed from the fleet for the remaining full year increments can be applied to any vehicle added to the fleet or at the time of renewal. No refunds will be given if credit is not used or the account is closed.

(3) If the number of vehicles in an account falls below 12 during the registration period, fleet registration will remain in effect. If the number of vehicles in an account is below 12 at the end of the registration period, fleet registration will be canceled. In the event of cancellation, each vehicle shall be registered separately. The registrant shall immediately either return all metal fleet license plates to the department or provide the department with acceptable proof that the metal fleet license plates have been destroyed.

(g) Fees.

(1) When a fleet is first established, the department will charge a registration fee for each vehicle for the entire registration period selected. A currently registered vehicle, however, will be given credit for any remaining time on its separate registration.

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(2) When a vehicle is added to an existing fleet, the department will charge a registration fee that is prorated based on the number of months of fleet registration remaining. If the vehicle is currently registered, this fee will be adjusted to provide credit for the number of months of separate registration remaining.

(3) When a vehicle is removed from fleet registration, it will be considered to be registered separately. The vehicle's separate registration will expire on the date that the fleet registration would have expired. The registrant must pay the statutory replacement fee to obtain regular registration insignia before the vehicle may be operated on a public highway.

(4) In addition to the registration fees prescribed by Transportation Code, Chapter 502, an owner registering a fleet under this section must pay a one-time fee of \$10 per motor vehicle, semitrailer, or trailer in the fleet. This fee is also due as follows:

(A) for each vehicle added to the owner's existing fleet; and

(B) for each vehicle that a buyer registers as a fleet, even though the seller previously registered some or all of the vehicles as a fleet under this section.

(h) Payment. Payment will be made in the manner prescribed by the department.

(i) Cancellation.

(1) The department will cancel registration for non-payment and lack of proof of annual payment of the Heavy Vehicle Use Tax.

(2) The department may cancel registration on any fleet vehicle on the anniversary date of the registration if the fleet vehicle is not in compliance with the inspection requirements under Transportation Code, Chapter 548 or the inspection requirements in the rules of the Texas Department of Public Safety

(3) A vehicle with a canceled registration may not be operated on a public highway.

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(4) If the department cancels the registration of a vehicle under this subsection, the registrant can request the department to reinstate the registration by doing the following:

(A) complying with the requirements for which the department canceled the registration;

(B) providing the department with notice of compliance on a form prescribed by the department; and

(C) for a registration canceled under paragraph (2) of this subsection, paying an administrative fee in the amount of \$10.

(5) A registrant is eligible for reinstatement of the registration only within 90 calendar days of the department's notice of cancellation.

(6) If a registrant fails to timely reinstate the registration of a canceled vehicle registration under this section, the registrant:

(A) is not entitled to a credit or refund of any registration fees for the vehicle; and

(B) must immediately either return the metal fleet license plates to the department or provide the department with acceptable proof that the metal fleet license plates have been destroyed.

(j) Inspection fee. The registrant must pay the department by the deadline listed in the department's invoice for the state's portion of any applicable [the vehicle inspection] fee under Transportation Code Chapter 548.

217.55. Exempt and Alias Vehicle Registration.

(a) Exempt license plate registration.

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(1) Issuance. Pursuant to Transportation Code, §502.453 or §502.456, certain vehicles owned by and used exclusively in the service of a governmental agency, owned by a commercial transportation company and used exclusively for public school transportation services, designed and used for fire-fighting or owned by a volunteer fire department and used in the conduct of department business, privately owned and used in volunteer county marine law enforcement activities, used by law enforcement under an alias for covert criminal investigations, owned by units of the United States Coast Guard Auxiliary headquartered in Texas and used exclusively for conduct of United States Coast Guard or Coast Guard Auxiliary business and operations, or owned or leased by a non-profit emergency medical service provider are exempt from payment of a registration fee and are eligible for exempt plates.

(2) Application for exempt registration.

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

- (i) vehicle description;
- (ii) name of the exempt agency;
- (iii) a certification by an authorized person stating that the vehicle is owned or under the control of and will be operated by the exempt agency; and
- (iv) a certification that each vehicle listed on the application has the name of the exempt agency printed on each side of the vehicle in letters that are at least two inches high or in an emblem that is at least 100 square inches in size and of a color sufficiently different from the body of the vehicle as to be clearly legible from a distance of 100 feet, unless

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1 the applicant complies with the requirements under this section for each vehicle that is exempt by
2 law from the inscription requirements.

3 (B) Emergency medical service vehicle.

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

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

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

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

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

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

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1 (E) United States Coast Guard Auxiliary vehicle. The application for exempt
2 registration of a vehicle owned by units of the United States Coast Guard Auxiliary headquartered
3 in Texas and used exclusively for conduct of United States Coast Guard or Coast Guard Auxiliary
4 business and operation, including search and rescue, emergency communications, and disaster
5 operations, must include a statement by a person having authority to act for the United States
6 Coast Guard Auxiliary that the vehicle or trailer is used exclusively in fulfillment of an authorized
7 mission of the United States Coast Guard or Coast Guard Auxiliary, including search and rescue,
8 emergency communications, or disaster operations.

9 (F) Motor vehicles owned and used by state-supported institutions. If the
10 applicant is exempt from the inscription requirements under Education Code §51.932, the
11 applicant must present a certification that each vehicle listed on the application is exempt from
12 the inscription requirements under Education Code §51.932.

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

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

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

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

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

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

10 (2) The affidavit for alias exempt registration must be in a form prescribed by the
11 director and must include the vehicle description, a sworn statement that the vehicle will be used
12 in covert criminal investigations, and the signature of the executive administrator or the executive
13 administrator's designee as provided in paragraph (3) of this subsection. The vehicle registration
14 insignia of any vehicles no longer used in covert criminal investigations shall be surrendered
15 immediately to the department.

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

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

22 (5) The affidavit for alias exempt registration must be accompanied by an ~~by a~~
23 ~~title]~~ application required by the department to create the alias record of vehicle registration and

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1 title as outlined in §217.13 of this title (relating to Alias Certificate of Title) [under §217.103 of this
2 title (relating to Restitution Liens)]. The application must contain the information required by the
3 department to create the alias record of vehicle registration and title.

4 (c) Replacement of exempt registration.

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

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

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

14 (e) Extended Registration of County Fleet Vehicles.

15 (1) Subsections (a)(2), (a)(3)(B), and (c) of this section do not apply under this
16 subsection.

17 (2) The owner of the exempt county fleet must file a completed application for
18 exempt county fleet registration on a form prescribed by the department, and shall contain the
19 following information:

20 (A) vehicle description;

21 (B) name of the exempt agency;

22 (C) a certification by an authorized person stating that the vehicle is owned
23 by and used exclusively in the service of the county;

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1 (D) a certification that each vehicle listed on the application has the name
2 of the exempt agency printed on each side of the vehicle in letters that are at least two inches high
3 or in an emblem that is at least 100 square inches in size and of a color sufficiently different from
4 the body of the vehicle as to be clearly legible from a distance of 100 feet, unless the applicant
5 complies with the requirements under this section for each vehicle that is exempt by law from the
6 inscription requirements; and

7 (E) designation of a single registration period for the fleet to ensure that the
8 registration period for each vehicle will expire on the same last day of a calendar month.

9 (3) The application for exempt county fleet registration must be accompanied by
10 the state's portion of any applicable [the vehicle inspection] fees under Transportation Code,
11 Chapter 548.

12 (4) As evidence of registration, the department will issue a registration receipt and
13 one or two metal exempt fleet license plates for each vehicle in the exempt county fleet. The
14 registration receipt for each vehicle must be carried in that vehicle at all times and be made
15 available to law enforcement personnel upon request. The registration receipt and exempt fleet
16 license plates may not be transferred between vehicles, owners, or registrants.

17 (5) An owner may add or remove a vehicle from an exempt county fleet at any time
18 during the registration period. An added vehicle will be given the same registration period as the
19 other vehicles in the exempt county fleet and will be issued a registration receipt and one or two
20 metal exempt fleet license plates. Upon the removal of a vehicle from the exempt county fleet, the
21 owner of the vehicle shall dispose of the registration receipt and shall either return the metal
22 exempt fleet license plates to the department or provide the department with acceptable proof
23 that the metal exempt fleet license plates have been destroyed.

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1 (6) An owner must pay the department by the deadline listed in the department's
2 invoice for the state's portion of any applicable [the vehicle inspection] fee under Transportation,
3 Code Chapter 548. Payment shall be made in the manner prescribed by the department.

4 (7) The department may cancel registration on an exempt county fleet or any
5 vehicle in an exempt county fleet on the anniversary date of the registration if the vehicle is not in
6 compliance with Transportation Code §502.0025, this subsection, the inspection requirements
7 under Transportation Code Chapter 548, or the inspection requirements in the rules of the Texas
8 Department of Public Safety. A vehicle with a canceled registration may not be operated on a
9 public highway.

10 (8) If the department cancels the registration of a vehicle in an exempt county fleet
11 under subsection (e)(7) of this section, the owner may request that the department reinstate the
12 registration. To request reinstatement, the owner must comply with the requirements that led the
13 department to cancel the registration and must provide the department with notice of compliance
14 on a form prescribed by the department. An owner is eligible for reinstatement of the registration
15 of a vehicle in an exempt county fleet if the department receives the owner's request for
16 reinstatement and proof of compliance no later than 90 calendar days after the date of the
17 department's notice of cancellation. If the department does not timely receive an owner's request
18 to reinstate the registration, the owner must immediately do the following:

19 (A) either return all metal exempt county fleet license plates to the
20 department or provide the department with acceptable proof that the metal exempt county fleet
21 license plates have been destroyed; and

22 (B) dispose of the registration receipt in a manner prescribed by the
23 department.

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1 (9) If a metal exempt county fleet license plate is lost, stolen, or mutilated, the
2 owner may request a new metal exempt county fleet license plate from the department. The
3 request must include the following:

4 (A) a certification that the previously issued metal exempt county fleet
5 license plate furnished for the vehicle has been lost, stolen, or mutilated and that the new metal
6 exempt county fleet license plate will not be used on any other vehicle;

7 (B) the vehicle description; and

8 (C) the original license plate number, if applicable.
9

10 217.56. Registration Reciprocity Agreements.

11 (a) Purpose. To promote and encourage the fullest possible use of the highway system and
12 contribute to the economic development and growth of the State of Texas and its residents, the
13 department is authorized by Transportation Code, §502.091 to enter into agreements with duly
14 authorized officials of other jurisdictions, including any state of the United States, the District of
15 Columbia, a foreign country, a state or province of a foreign country, or a territory or possession of
16 either the United States or of a foreign country, and to provide for the registration of vehicles by
17 Texas residents and nonresidents on an allocation or distance apportionment basis, and to grant
18 exemptions from the payment of registration fees by nonresidents if the grants are reciprocal to
19 Texas residents.

20 (b) Definitions. The following words and terms, when used in this section, shall have the
21 following meanings, unless the context clearly indicates otherwise:

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(1) Cab card--The apportioned vehicle registration receipt that contains, but is not limited to, the vehicle description and the registered weight at which the vehicle may operate in each jurisdiction.

(2) Department--The Texas Department of Motor Vehicles.

(3) Director--The director of the Motor Carrier Division, Texas Department of Motor Vehicles.

(4) Executive director--The chief executive officer of the department.

(5) Regional Service Center--A department office which provides specific services to the public, including replacement titles, bonded title rejection letters, and apportioned registration under the International Registration Plan (IRP).

(6) Temporary cab card--A temporary registration [permit] authorized by the department that allows the operation of a vehicle for 30 days subject to all rights and privileges afforded to a vehicle displaying apportioned registration.

(c) Multilateral agreements.

(1) Authority. The executive director may on behalf of the department enter into a multilateral agreement with the duly authorized officials of two or more other jurisdictions to carry out the purpose of this section.

(2) International Registration Plan.

(A) Applicability. The IRP is a registration reciprocity agreement among states of the United States and other jurisdictions providing for payment of registration fees on the basis of fleet distance operated in various jurisdictions. Its purpose is to promote and encourage the fullest possible use of the highway system by authorizing apportioned registration for

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commercial motor vehicles and payment of appropriate vehicle registration fees and thus contributing to the economic development and growth of the member jurisdictions.

(B) Adoption. The department adopts by reference the January 1, 2021 edition of the IRP. The department also adopts by reference the January 1, 2016, edition of the IRP Audit Procedures Manual. In the event of a conflict between this section and the IRP or the IRP Audit Procedures Manual, the IRP and the IRP Audit Procedures Manual control. Copies of the documents are available for review in the Motor Carrier Division, Texas Department of Motor Vehicles. Copies are also available on request.

(C) Application.

(i) An applicant must submit an application to the department on a form prescribed by the director, along with additional documentation as required by the director. An applicant shall provide the department with a copy of the applicant's receipt under the Unified Carrier Registration System Plan and Agreement under 49 U.S.C. §14504a (UCR) to prove the applicant is currently registered under UCR if the applicant is required to register under UCR.

(ii) Upon approval of the application, the department will compute the appropriate registration fees and notify the registrant.

(D) Fees. Upon receipt of the applicable fees in the form as provided by §209.23 of this title (relating to Methods of Payment), the department will issue one or two license plates and a cab card for each vehicle registered.

(E) Display of License Plates and Cab Cards.

(i) The department will issue one license plate for a tractor, truck-tractor, trailer, and semitrailer. The license plate issued to a tractor or a truck-tractor shall be

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1 installed on the front of the tractor or truck-tractor, and the license plate issued for a trailer or
2 semitrailer shall be installed on the rear of the trailer or semitrailer.

3 (ii) The department will issue two license plates for all other vehicles
4 that are eligible to receive license plates under the IRP. Once the department issues two license
5 plates for a vehicle listed in this clause, one plate shall be installed on the front of the vehicle, and
6 one plate shall be installed on the rear of the vehicle.

7 (iii) The cab card shall be carried at all times in the vehicle in
8 accordance with the IRP. If the registrant chooses to display an electronic image of the cab card on
9 a wireless communication device or other electronic device, such display does not constitute
10 consent for a peace officer, or any other person, to access the contents of the device other than
11 the electronic image of the cab card.

12 (iv) The authority to display an electronic image of the cab card on a
13 wireless communication device or other electronic device does not prevent the Texas State Office
14 of Administrative Hearings or a court of competent jurisdiction from requiring the registrant to
15 provide a paper copy of the cab card in connection with a hearing, trial, or discovery proceeding.

16 (F) Audit. An audit of the registrant's vehicle operational records may be
17 conducted by the department according to the IRP provisions and the IRP Audit Procedures
18 Manual. Upon request, the registrant shall provide the operational records of each vehicle for
19 audit in unit number order, in sequence by date, and including, but not limited to, a summary of
20 distance traveled by each individual vehicle on a monthly, quarterly, and annual basis with
21 distance totaled separately for each jurisdiction in which the vehicle traveled.

22 (G) Assessment. The department may assess additional registration fees of
23 up to 100% of the apportionable fees paid by the registrant for the registration of its fleet in the

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1 registration year to which the records pertain, as authorized by the IRP, if an audit conducted
2 under subparagraph (F) of this paragraph reveals that:

3 (i) the operational records indicate that the vehicle did not generate
4 interstate distance in two or more member jurisdictions for the distance reporting period
5 supporting the application being audited, plus the six-month period immediately following that
6 distance reporting period;

7 (ii) the registrant failed to provide complete operational records; or

8 (iii) the distance must be adjusted, and the adjustment results in a
9 shortage of registration fees due Texas or any other IRP jurisdiction.

10 (H) Refunds. If an audit conducted under subparagraph (F) of this paragraph
11 reveals an overpayment of fees to Texas or any other IRP jurisdiction, the department will refund
12 the overpayment of registration fees in accordance with Transportation Code, §502.195 and the
13 IRP. Any registration fees refunded to a carrier for another jurisdiction will be deducted from
14 registration fees collected and transmitted to that jurisdiction.

15 (I) Cancellation or revocation. The director or the director's designee may
16 cancel or revoke a registrant's apportioned registration and all privileges provided by the IRP as
17 authorized by the following:

18 (i) the IRP; or

19 (ii) Transportation Code, Chapter 502.

20 (J) Enforcement of cancelled or revoked registration.

21 (i) Notice. If a registrant is assessed additional registration fees, as
22 provided in subparagraph (G) of this paragraph, and the additional fees are not paid by the due
23 date provided in the notice or it is determined that a registrant's apportioned license plates and

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1 privileges should be canceled or revoked, as provided in subparagraph (I) of this paragraph, the
2 director or the director's designee will mail a notice by certified mail to the last known address of
3 the registrant. The notice will state the facts underlying the assessment, cancellation, or
4 revocation; the effective date of the assessment, cancellation, or revocation; and the right of the
5 registrant to request a conference as provided in clause (ii) of this subparagraph.

6 (ii) Conference. A registrant may request a conference upon receipt
7 of a notice issued as provided by clause (i) of this subparagraph. The request must be made in
8 writing to the director or the director's designee within 30 days of the date of the notice. If timely
9 requested, the conference will be scheduled and conducted by the director or the director's
10 designee at division headquarters in Austin and will serve to abate the assessment, cancellation, or
11 revocation unless and until that assessment, cancellation, or revocation is affirmed or disaffirmed
12 by the director or the director's designee. In the event matters are resolved in the registrant's
13 favor, the director or the director's designee will mail the registrant a notice of withdrawal,
14 notifying the registrant that the assessment, cancellation, or revocation is withdrawn, and stating
15 the basis for that action. In the event matters are not resolved in the registrant's favor, the
16 director or the director's designee will issue a ruling reaffirming the department's assessment of
17 additional registration fees or cancellation or revocation of apportioned license plates and
18 privileges. The registrant has the right to appeal in accordance with clause (iii) of this
19 subparagraph.

20 (iii) Appeal. If a conference held in accordance with clause (ii) of this
21 subparagraph fails to resolve matters in the registrant's favor, the registrant may request an
22 administrative hearing. The request must be in writing and must be received by the director no
23 later than the 20th day following the date of the ruling issued under clause (ii) of this

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1 subparagraph. If requested within the designated period, the hearing will be initiated by the
2 department and will be conducted in accordance with Chapter ~~224[06, Subchapter D]~~ of this title
3 (relating to Adjudicative Procedures in Contested Cases). Assessment, cancellation, or revocation is
4 abated unless and until affirmed or disaffirmed by order of the Board of the Texas Department of
5 Motor Vehicles or its designee.

6 (K) Reinstatement.

7 (i) The director or the director's designee will reinstate apportioned
8 registration to a previously canceled or revoked registrant if all applicable fees and assessments
9 due on the previously canceled or revoked apportioned account have been paid and the applicant
10 provides proof of an acceptable recordkeeping system for a period of no less than 60 days.

11 (ii) The application for the following registration year will be
12 processed in accordance with the provisions of the IRP.

13 (L) Denial of apportioned registration for safety reasons. The department
14 will comply with the requirements of the Performance and Registration Information Systems
15 Management program (PRISM) administered by the Federal Motor Carrier Safety Administration
16 (FMCSA).

17 (i) Denial or suspension of apportioned registration. Upon
18 notification from the FMCSA that a carrier has been placed out of service for safety violations, the
19 department will:

- 20 (I) deny initial issuance of apportioned registration;
21 (II) deny authorization for a temporary cab card, as provided
22 for in subparagraph (M) of this paragraph;
23 (III) deny renewal of apportioned registration; or

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(IV) suspend current apportioned registration.

(ii) Issuance after denial of registration or reinstatement of suspended registration. The director or the director's designee will reinstate or accept an initial or renewal application for apportioned registration from a registrant who was suspended or denied registration under clause (i) of this subparagraph upon presentation of a Certificate of Compliance from FMCSA, in addition to all other required documentation and payment of fees.

(M) Temporary cab card.

(i) Application. The department may authorize issuance of a temporary cab card to a motor carrier with an established Texas apportioned account for a vehicle upon proper submission of all required documentation, a completed application, and all fees for either:

(I) Texas title as prescribed by Transportation Code, Chapter 501 and Subchapter A of this chapter (relating to Motor Vehicle Titles); or

(II) registration receipt to evidence title for registration purposes only (Registration Purposes Only) as provided for in Transportation Code, §501.029 and §217.24 of this title (relating to Vehicle Last Registered in Another Jurisdiction).

(ii) Title application. A registrant who is applying for a Texas title as provided for in clause (i)(I) of this subparagraph and is requesting authorization for a temporary cab card, must submit to a Regional Service Center a photocopy of the title application receipt issued by the county tax assessor-collector's office.

(iii) Registration Purposes Only. A registrant who is applying for Registration Purposes Only under clause (i)(II) of this subparagraph and is requesting authorization

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1 for a temporary cab card, must submit an application and all additional original documents or
2 copies of original documents required by the director to a Regional Service Center.

3 (iv) Department approval. On department approval of the submitted
4 documents, the department will send notice to the registrant to finalize the transaction and make
5 payment of applicable registration fees.

6 (v) Finalization and payment of fees. To finalize the transaction and
7 print the temporary cab card, the registrant may compute the registration fees through the
8 department's apportioned registration software application, TxIRP system, and:

9 (I) make payment of the applicable registration fees to the
10 department as provided by §209.23 of this title; and

11 (II) afterwards, mail or deliver payment of the title
12 application fee in the form of a check, certified cashier's check, or money order payable to the
13 county tax assessor-collector in the registrant's county of residency and originals of all copied
14 documents previously submitted.

15 (vi) Deadline. The original documents and payment must be
16 received by the Regional Service Center within 72-hours after the time that the office notified the
17 registrant of the approval to print a temporary cab card as provided in clause (iv) of this
18 subparagraph.

19 (vii) Failure to meet deadline. If the registrant fails to submit the
20 original documents and required payment within the time prescribed by clause (vi) of this
21 subparagraph, the registrant's privilege to use this expedited process to obtain a temporary cab
22 card will be denied by the department for a period of six months from the date of approval to print
23 the temporary cab card.

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SUBCHAPTER C. REGISTRATION AND TITLE SYSTEMS

217.71. Automated and Web-Based Vehicle Registration and Title Systems.

(a) Purpose.

(1) Transportation Code, Chapters 501 and 502, charge the department with the responsibility for issuing titles and registering vehicles operating on the roads, streets, and highways of the state.

(2) To provide a more efficient, cost-effective system for registering and titling vehicles, submitting title and registration records to county tax assessor-collectors and the department, maintaining records, improving inventory control of accountable items, and collecting and reporting of applicable fees consistent with those statutes, the department has designed:

(A) an automated system known as the registration and title system. This system expedites registration and titling processes, provides a superior level of customer service to the owners and operators of vehicles, and facilitates availability of the department's motor vehicle records for official law enforcement needs. Automated equipment compatible with the registration and title system is indispensable to the operational integrity of the system; and

(B) a web-based system known as webDEALER. This system expedites registration and titling processes, provides a superior level of customer service to the owners and operators of vehicles, and facilitates availability of the department's motor vehicle records for official law enforcement needs.

(3) This subchapter prescribes the policies and procedures under which the department may make the automated equipment available to a county tax assessor-collector as

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1 designated agent of the state for processing title and vehicle registration documents and the
2 policies and procedures ~~[for users who opt]~~ to use webDEALER.

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

5 (1) Automated equipment--Equipment associated with the operation of the
6 registration and titling system, including, but not limited to, microcomputers, printers, software,
7 and cables.

8 (2) Department--The Texas Department of Motor Vehicles.

9 (3) Executive director--The executive director of the Texas Department of Motor
10 Vehicles.

11 (4) Fair share allocation--The amount of automated equipment determined by the
12 department to be effective at providing a reasonable level of service to the public. This amount
13 will be determined on transaction volumes, number of county substations, and other factors
14 relating to a particular county's need.

15 (5) RTS--The department's registration and title system.

16 (6) Title application--A form as defined by §217.2 of this title (relating to
17 Definitions), and includes the electronic process provided by the department that captures the
18 information required by the department to create a motor vehicle title record.

19 (7) webDEALER--The department's web-based titling and registration system used
20 to submit title applications to county tax assessor-collectors and the department. This term
21 includes any other web-based system which facilitates electronic submission of title applications,
22 including webSALVAGE and webLIEN.

23

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1 217.72. Automated Equipment for the Registration and Title System.

2 (a) Initial allocation of automated equipment. When requested by resolution of the
3 commissioners court of a county, and subject to the terms and conditions specified in subsection
4 (d) of this section, the department will:

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

7 (2) provide the county tax assessor-collector with computer programs and
8 personnel training; and

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

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

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

21 (d) Conditions of availability.

22 (1) A county must:

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1 (A) meet electrical power supply criteria specified by the department prior
2 to installation of the automated equipment;

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

5 (C) provide for the physical security and protection of the equipment and
6 shall indemnify the department for any loss or damages to the equipment while in the custody and
7 control of the county;

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

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

13 (2) At the discretion of a county tax assessor-collector, automated equipment may
14 be located at sites other than those of the county tax assessor-collector, including privately owned,
15 for-profit enterprises performing registration and title functions for the county tax office. With
16 regard to equipment located at sites other than those of the county tax assessor-collector, the
17 department's responsibility will be limited to ensuring that the equipment remains operational.
18 The county will be responsible for all training, user support, forms, supplies, user policy and
19 procedures, and other support associated with this equipment.

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

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1 217.74. Access to and Use of webDEALER.

2 (a) Each county tax assessor-collector shall request access to, and accept title applications
3 submitted through, webDEALER. A county tax assessor-collector must utilize webDEALER in order
4 to accept a title application in the county as provided by subsections (b) and (c) of this section.

5 (b) Except as provided in subsection (c) of this section, a person who wishes to become a
6 user of webDEALER must contact each entity to whom they submit title applications for
7 authorization to utilize webDEALER. A user must receive authorization from each entity, including
8 each county tax assessor-collector, to whom the user submits title applications. Title applications
9 submitted to the department require the authorization by the department.

10 (c) A motor vehicle dealer who holds~~[er of]~~ a general distinguishing number (holder) who
11 wishes to become a user of webDEALER] must contact each county tax assessor-collector to whom
12 they submit title applications for webDEALER access. The county must provide the holder access. A
13 holder must obtain access from each county tax assessor-collector to whom the user submits title
14 applications.

15 (d) A county tax assessor-collector may authorize a deputy appointed by the county tax
16 assessor-collector in accordance with subchapter H of this chapter (relating to Deputies) to utilize
17 webDEALER.

18 (e) An entity or [A] person authorized under subsection (b) of this section may have their
19 authorization to use webDEALER revoked, rescinded, or cancelled at any time, with no notice, at
20 the discretion of a county tax assessor-collector or the department.

21 (f) When submitting a title application through webDEALER, a user must:

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(1) stamp the word "SURRENDERED" across the front face and the next open assignment or reassignment space of any secure title document or other acceptable ownership evidence as determined by the department in:

(A) arial font;

(B) black ink; and

(C) a size of 1/4" height x 2 1/4" length;

(2) retain the physical document described in paragraph (1) of this subsection for a minimum of four calendar years from the date of submitting a scanned copy of the stamped title document using the webDEALER system; and

(3) submit any documents required to be submitted with the title application with a scanned resolution of at least 200 dots per inch (DPI).

217.75. Required Training on the Registration and Title System and Identification of Fraud.

(a) Required training. A person performing registration or titling services through RTS, including a department employee, department contractor, county tax assessor-collector employee, or full service deputy as defined by §217.162(6) of this title (relating to Definitions), must complete a training program as prescribed by this section. Required training will include, at a minimum:

(1) training regarding transactions performed in RTS; and

(2) identification of fraudulent activity related to vehicle registration and titling.

(b) Online training. The department will make required training for county tax assessor-collector employees and full service deputies available through the department's online training system.

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1 (c) Registration and Title System training for county tax assessor-collector staff and full
2 service deputies. To satisfy the training requirements under subsection (a)(1) of this section, a
3 county tax assessor-collector employee or full service deputy must complete each training course
4 associated with the permissions that person is assigned in RTS. A person completes a training
5 course when the person obtains a score of at least 80 percent on the course test, and the training
6 is verified. This section does not limit the number of times or how often a person may take a
7 training course or test.

8 (1) A county tax assessor-collector or county tax assessor-collector's system
9 administrator must create accounts for and assign permissions in RTS to each employee or full
10 service deputy who will be given access to RTS based on that person's job duties as determined by
11 the county tax assessor-collector or the county tax assessor-collector's system administrator.

12 (2) The department will assign training content for specific permissions in RTS.

13 (3) A person must take required training using the person's individually assigned
14 training identifier for the department's online training system.

15 (4) The department will enable a permission on completion of required training.

16 (5) A person with permissions in RTS on or before the effective date of this section
17 must complete required training under this section by August 31, 2020. A person who has not been
18 assigned permissions in RTS on or before the effective date of this section must complete all
19 required training before permissions are enabled by the department.

20 (6) If new training is made available for a new or existing permission after August
21 31, 2020, a person with permissions enabled before the new training is made available must
22 complete the required training within 120 days of the department's notification that the training is
23 available. A county employee, or full service deputy, who is on leave on the date of the

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department's notification that the new training is available, for at least 120 days thereafter, and due to circumstances beyond that person's control, as determined by the county tax assessor-collector may have an additional 14 days upon returning to work to complete the new training.

(d) Failure to complete required training.

(1) Except as provided in paragraph (2) of this subsection, the department will disable a permission if a person fails to complete required training for the permission within the timeframes required by this section.

(2) The department will not disable a permission for a county tax assessor-collector employee or a full service deputy if the person timely submits their score for each required training course; however, the department will disable the person's permission if the department determines that the submitted score is not at least 80 percent.

(3) A disabled permission may be enabled by using the process to complete training and enable permissions in subsection (c) of this section.

SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES**217.81. Purpose and Scope.**

Transportation Code, Chapter 501, Subchapter E, charges the department with the responsibility of issuing non[-]repairable and salvage vehicle titles and ~~[certificates of]~~ title for rebuilt salvage motor vehicles. For the department to efficiently and effectively issue the vehicle titles ~~[and certificates of title]~~, maintain records, collect the applicable fees, and ensure the proper application by motor vehicle owners, this subchapter prescribes the policies and procedures for the application for and issuance of

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vehicle titles for non[-]repairable and salvage motor vehicles, and titles for rebuilt salvage motor vehicles.

217.82. Definitions.

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

(1) Casual sale—sale as defined by Transportation Code, §501.091(2). ~~[The sale by a salvage vehicle dealer, insurance company, or salvage pool operator of not more than five nonrepairable or salvage motor vehicles to the same person during a calendar year. The term does not include a sale to a salvage vehicle dealer or the sale of an export-only motor vehicle to a person who is not a resident of the United States.]~~

(2) Certificate of title—title as defined by Transportation Code, §501.002(1-a) ~~[A written instrument that may be issued solely by and under the authority of the department and that reflects the transferor, transferee, vehicle description, license plate and lien information, and rights of survivorship agreement as specified in Subchapter A of this chapter or as required by the department].~~

(3) Application for Title--A form prescribed by the director of the department's Vehicle Titles and Registration Division that reflects the information required by the department to create a motor vehicle title record.

(4) Damage—damage as defined by Transportation Code, §501.091(3) ~~[Sudden damage to a motor vehicle caused by the motor vehicle being wrecked, burned, flooded, or stripped of major~~

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1 ~~component parts. The term does not include gradual damage from any cause, sudden damage caused by~~
2 ~~hail, or any damage caused only to the exterior paint of the motor vehicle].~~

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

5 (6) Department--The Texas Department of Motor Vehicles.

6 (7) Export-only sale--The sale of a nonrepairable or salvage motor vehicle, by a salvage
7 vehicle dealer, including a salvage pool operator acting as agent for an insurance company, or a
8 governmental entity, to a person who resides outside the United States.

9 (8) Flood damage--A title remark that is initially indicated on a nonrepairable or salvage
10 vehicle title to denote that the damage to the vehicle was caused exclusively by flood and that is carried
11 forward on subsequent title issuance.

12 (9) Insurance company--A person authorized to write automobile insurance in this state
13 or an out-of-state insurance company that pays a loss claim for a motor vehicle in this state.

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

19 (11) Metal recycler--A person who:

20 (A) is predominately engaged in the business of obtaining ferrous or nonferrous
21 metal that has served its original economic purpose to convert the metal, or sell the metal for

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conversion, into raw material products consisting of prepared grades and having an existing or potential economic value;

(B) has a facility to convert ferrous or nonferrous metal into raw material products consisting of prepared grades and having an existing or potential economic value, by a method other than the exclusive use of hand tools, including the processing, sorting, cutting, classifying, cleaning, baling, wrapping, shredding, shearing, or changing the physical form or chemical content of the metal; and

(C) sells or purchases the ferrous or nonferrous metal solely for use as raw material in the production of new products.

(12) Motor vehicle--A vehicle described by Transportation Code, §501.002(17).

(13) Nonrepairable motor vehicle--A motor vehicle as defined by Transportation Code, §501.091(9).

(14) Nonrepairable vehicle title—title as defined by Transportation Code, §501.091(10).
~~[A document that evidences ownership of a nonrepairable motor vehicle.]~~

(15) Out-of-state buyer—buyer as defined by Transportation Code, §501.091(11). ~~[A person licensed in an automotive business by another state or jurisdiction if the department has listed the holders of such a license as permitted purchasers of salvage motor vehicles or nonrepairable motor vehicles based on substantially similar licensing requirements and on whether salvage vehicle dealers licensed in Texas are permitted to purchase salvage motor vehicles or nonrepairable motor vehicles in the other state or jurisdiction.]~~

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1 (16) Out-of-state ownership document--A negotiable document issued by another
2 jurisdiction that the department considers sufficient to prove ownership of a nonrepairable or salvage
3 motor vehicle and to support issuance of a comparable Texas certificate of title for the motor vehicle.

4 The term does not include a title issued by the department, including a:

5 (A) regular certificate of title;

6 (B) nonrepairable vehicle title;

7 (C) salvage vehicle title;

8 (D) salvage certificate;

9 (E) Certificate of Authority to Demolish a Motor Vehicle; or

10 (F) any other ownership document issued by the department.

11 (17) Person--An individual, partnership, corporation, trust, association, or other private
12 legal entity.

13 (18) Rebuilt salvage certificate of title--A regular certificate of title evidencing ownership
14 of a nonrepairable motor vehicle that was issued a nonrepairable vehicle title prior to September 1,
15 2003, or salvage motor vehicle that has been rebuilt.

16 (19) Salvage motor vehicle--A motor vehicle, regardless of the year model:

17 (A) that is:

18 (i) damaged or is missing a major component part to the extent that the
19 cost of repairs exceeds the actual cash value of the motor vehicle immediately before the damage; or

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1 (ii) ~~[damaged and]~~ comes into this state under an out-of-state ownership
2 document that states on its face "accident damage," "flood damage," "inoperable," "rebuildable,"
3 "salvageable," or similar notation, and is not an out-of-state ownership document with a "rebuilt," "prior
4 salvage," or similar notation, or a nonrepairable motor vehicle; and

5 (B) does not include:

6 (i) a motor vehicle for which an insurance company has paid a claim for
7 repairing hail damage, or theft, unless the motor vehicle was damaged during the theft and before
8 recovery to the extent that the cost of repair exceeds the actual cash value of the motor vehicle
9 immediately before the damage;

10 (ii) the cost of materials or labor for repainting the motor vehicle; or

11 (iii) sales tax on the total cost of repairs.

12 (20) Salvage vehicle dealer—dealer as defined by Transportation Code, §501.091(17). [A
13 ~~person engaged in this state in the business of acquiring, selling, dismantling, repairing, rebuilding,~~
14 ~~reconstructing, or otherwise dealing in nonrepairable motor vehicles or salvage motor vehicles or used~~
15 ~~parts, including a person who is in the business of a salvage vehicle dealer, regardless of whether the~~
16 ~~person holds a license issued by the department to engage in the business. The term does not include a~~
17 ~~person who casually repairs, rebuilds, or reconstructs fewer than three salvage motor vehicles in the~~
18 ~~same calendar year.]~~

19 (21) Salvage vehicle title--title as defined by Transportation Code, §501.091(16). [A
20 ~~document issued by the department that evidences ownership of a salvage motor vehicle.]~~

21

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1 217.83. Requirement for Non[-]repairable or Salvage Vehicle Title.

2 (a) Determination of condition of vehicle.

3 (1) Salvage motor vehicle. When a vehicle is damaged, the actual cash value of the
4 motor vehicle immediately before the damage and the cost of repairs shall be used to determine
5 whether the damage is sufficient to classify the motor vehicle as a salvage motor vehicle.

6 (2) Non[-]repairable motor vehicle. When a vehicle is damaged, the actual cash value of
7 the motor vehicle immediately before the damage and the cost of repairs, or any ~~alternate~~ method
8 commonly used by the insurance industry, shall be used to determine whether the damage is sufficient
9 to classify the motor vehicle as a non[-]repairable motor vehicle.

10 (3) The actual cash value of the motor vehicle is the market value of a motor vehicle as
11 determined:

12 (A) from publications commonly used by the automotive and insurance
13 industries to establish the values of motor vehicles; or

14 (B) if the entity determining the value is an insurance company, by any other
15 procedure recognized by the insurance industry, including market surveys, that is applied in a uniform
16 manner.

17 (4) The cost of repairs, including parts and labor, shall be determined by:

18 (A) using a manual of repair costs or other instrument that is generally
19 recognized and used in the motor vehicle industry to determine those costs; or

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1 (B) an estimate of the actual cost of the repair parts and the estimated labor
2 costs computed by using hourly rate and time allocations that are reasonable and commonly assessed in
3 the repair industry in the community in which the repairs are performed.

4 (5) The cost of repairs does not include:

5 (A) the cost of:

6 (i) repairs related to gradual damage to a motor vehicle;

7 (ii) repairs related to hail damage; or

8 (iii) materials and labor for repainting or when the damage is solely to
9 the exterior paint of the motor vehicle; or

10 (B) sales tax on the total cost of repairs.

11 (b) Who must apply.

12 (1) An insurance company licensed to do business in this state that acquires ownership
13 or possession of a non[-]repairable or salvage motor vehicle that is covered by a certificate of title issued
14 by this state or a manufacturer's certificate of origin shall obtain a non[-]repairable or salvage vehicle
15 title, as provided by §217.84 of this title (relating to Application for Non[-]repairable or Salvage Vehicle
16 Title), before selling or otherwise transferring the non[-]repairable or salvage motor vehicle, except as
17 provided by subsection (c) of this section.

18 (2) A salvage vehicle dealer shall obtain a Non[-]repairable or Salvage Vehicle Title, or
19 comparable out-of-state ownership document, before selling or otherwise transferring the motor
20 vehicle, except as provided by §217.88(b) of this title (relating to Sale, Transfer, or Release of Ownership
21 of a Non[-]repairable or Salvage Motor Vehicle).

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1 (3) A person, other than an insurance company or salvage vehicle dealer, who acquires
2 ownership of a non[-]repairable or salvage motor vehicle that has not been issued a non[-]repairable
3 vehicle title, a salvage vehicle title, or a comparable out-of-state ownership document, shall obtain a
4 non[-]repairable or salvage vehicle title, as provided by §217.84, before selling or otherwise transferring
5 the motor vehicle, unless the motor vehicle will be dismantled, scrapped, or destroyed.

6 (c) Owner retained vehicles.

7 (1) An owner may retain a vehicle only as provided by this subsection. ~~[and if the vehicle~~
8 ~~was titled in Texas before it became a salvage or non-repairable vehicle.]~~

9 (2) When an insurance company pays a claim on a non[-]repairable or salvage motor
10 vehicle and does not acquire ownership of the motor vehicle, the company shall submit through
11 webDEALER to the department before the 31st day after the date of the payment of the claim, on a form
12 prescribed by the department, a report stating that:

13 (A) the insurance company has paid a claim on the non[-]repairable or salvage
14 motor vehicle; and

15 (B) the insurance company has not acquired ownership of the non[-]repairable
16 or salvage motor vehicle.

17 (3) Upon receipt of the report described in paragraph (2) of this subsection, the
18 department will place an appropriate notation on the motor vehicle record to prevent registration and
19 transfer of ownership prior to the issuance of a salvage or non[-]repairable vehicle title.

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(4) The owner who retained the non[-]repairable or salvage motor vehicle to which this subsection applies shall obtain a non[-]repairable or salvage vehicle title, as provided by §217.84, before selling or otherwise transferring the non[-]repairable or salvage motor vehicle.

~~[(5) Until a non-repairable or salvage vehicle title, or a comparable out-of-state ownership document, has been issued for an owner retained non-repairable or salvage vehicle, the owner of the motor vehicle may not sell or otherwise transfer ownership of the vehicle.]~~

(5)~~[(6)]~~ The owner of an owner retained non[-]repairable or salvage motor vehicle may not operate or permit operation of the motor vehicle on a public highway, until the motor vehicle is rebuilt, titled as a rebuilt salvage motor vehicle or rebuilt non[-]repairable motor vehicle, if applicable, and is registered in accordance with Subchapter B of this chapter.

(d) Self-insured vehicles. The owner of a non[-]repairable or salvage motor vehicle that is self-insured and that has been removed from normal operation by the owner shall apply to the department for a non[-]repairable or salvage vehicle title, as provided by §217.84, before the 31st day after the damage occurred, and before selling or otherwise transferring ownership of the non[-]repairable or salvage motor vehicle.

(e) Casual sales. A salvage vehicle dealer, salvage pool operator, or insurance company that acquires a non[-]repairable or salvage motor vehicle shall apply to the department for a non[-]repairable or salvage vehicle title, in accordance with §217.84, prior to offering the motor vehicle for sale in a casual sale.

(f) Export-only vehicles. A salvage vehicle dealer, including a salvage pool operator acting as agent for an insurance company, or governmental entity that acquires a non[-]repairable or salvage motor vehicle and offers it for sale to a non-United States resident shall apply to the department for a

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1 non[-]repairable or salvage vehicle title, as provided by §217.84, before selling or otherwise transferring
2 the non[-]repairable or salvage motor vehicle and before delivery of the non[-]repairable or salvage
3 motor vehicle to the buyer. A salvage vehicle dealer or governmental entity shall maintain records of all
4 export-only non[-]repairable or salvage motor vehicle sales as provided by §217.88(g).

5 (g) Voluntary application. A person who owns or acquires a motor vehicle that is not a non[-]
6]repairable or salvage motor vehicle may voluntarily, and on proper application, as provided by §217.84,
7 apply for a non[-]repairable or salvage vehicle title.

8
9 217.84. Application for Nonrepairable or Salvage Vehicle Title.

10 (a) Place of application. The owner of a nonrepairable or salvage motor vehicle who is required
11 to obtain or voluntarily chooses to obtain a nonrepairable or salvage vehicle title, as provided by §217.83
12 of this title (relating to Requirement for Non[-]repairable or Salvage Vehicle Title), shall apply for a
13 nonrepairable or salvage vehicle title by submitting an application, the required accompanying
14 documentation, and the statutory fee to the department.

15 (b) Information on application. An applicant for a nonrepairable or salvage vehicle title shall
16 submit an application on a form prescribed by the department. A completed form, in addition to any
17 other information required by the department, must include:

18 (1) the name and current address of the owner;

19 (2) a description of the motor vehicle, including the model year, make, body style, and
20 vehicle identification number;

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1 (3) a statement describing whether the motor vehicle is a nonrepairable or salvage
2 motor vehicle;

3 (4) whether the damage was caused exclusively by flood;

4 (5) a description of the damage to the motor vehicle that discloses which major
5 component part(s) must be repaired or replaced as a result of the damage to the part(s);

6 (6) the odometer reading and brand, or the word "exempt" if the motor vehicle is
7 exempt from federal and state odometer disclosure requirements, if the motor vehicle is a salvage motor
8 vehicle;

9 (7) the name and mailing address of any lienholder and the date of lien, as provided by
10 subsection (e) of this section; and

11 (8) the signature of the applicant or the applicant's authorized agent and the date the
12 ~~[certificate of]~~ title application was signed.

13 (c) Accompanying documentation. A nonrepairable or salvage vehicle title application must be
14 supported, at a minimum, by:

15 (1) evidence of ownership, as described by subsection (d)(1) or (3) of this section, if the
16 applicant is an insurance company that is unable to locate one or more of the owners;

17 (2) an odometer disclosure statement properly executed by the seller of the motor
18 vehicle and acknowledged by the purchaser, if the motor vehicle is less than 10 model years old and the
19 motor vehicle is a salvage motor vehicle; and

20 (3) a release of any liens.

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(d) Evidence of nonrepairable or salvage motor vehicle ownership.

(1) Evidence of nonrepairable or salvage motor vehicle ownership properly assigned to the applicant must accompany the application for a nonrepairable or salvage vehicle title, except as provided by paragraph (2) of this subsection. Evidence must include documentation sufficient to show ownership to the nonrepairable or salvage motor vehicle, such as:

(A) a Texas Certificate of Title;

(B) a certified copy of a Texas Certificate of Title;

(C) a manufacturer's certificate of origin;

(D) a Texas Salvage Certificate;

(E) a nonrepairable vehicle title;

(F) a salvage vehicle title;

(G) a comparable ownership document issued by another jurisdiction, except that if the applicant is an insurance company, evidence must be provided indicating that the insurance company is:

(i) licensed to do business in Texas; or

(ii) not licensed to do business in Texas, but has paid a loss claim for the motor vehicle in this state; or

(H) a photocopy of the inventory receipt or a title and registration verification evidencing surrender to the department of the negotiable evidence of ownership for a motor vehicle as provided by §217.86 of this title (relating to Dismantling, Scrapping, or Destruction of Motor Vehicles),

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1 and if the evidence of ownership surrendered was from another jurisdiction, a photocopy of the front
2 and back of the surrendered evidence of ownership.

3 (2) An insurance company that acquires ownership or possession of a nonrepairable or
4 salvage motor vehicle through payment of a claim may apply for a nonrepairable or salvage vehicle title
5 to be issued in the insurance company's name without obtaining an ownership document or if it
6 received an ownership document without the proper assignment of the owner if the company is unable
7 to obtain a title from the owner, in accordance with paragraph (1) of this subsection, and the application
8 is not made earlier than the 30th day after the date of payment of the claim. The application must also
9 include:

10 (A) a statement that the insurance company has provided at least two written
11 notices to the owner and any lienholder attempting to obtain the title or proper assignment of title for
12 the motor vehicle;

13 (B) a statement that the insurance company paid a loss claim for the vehicle that
14 was accepted; and

15 (C) any unassigned or improperly assigned title in the insurance company's
16 possession.

17 (3) An insurance company that acquires, through payment of a claim, ownership or
18 possession of a salvage motor vehicle or nonrepairable motor vehicle covered by an out-of-state
19 ownership document may obtain a salvage vehicle title or nonrepairable vehicle title in accordance with
20 paragraph (1) or (2) of this subsection if:

21 (A) the motor vehicle was damaged, stolen, or recovered in this state; or

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1 (B) the motor vehicle owner from whom the company acquired ownership
2 resides in this state.

3 (4) A salvage pool operator may apply for title consistent with Transportation Code,
4 §501.0935. ~~[in the name of the salvage pool operator by providing to the department:~~

5 ~~(A) documentation from the insurance company that:~~

6 ~~(i) the salvage pool operator, on request of an insurance company, was~~
7 ~~asked to take possession of the motor vehicle subject to an insurance claim and the insurance company~~
8 ~~subsequently denied coverage or did not take ownership of the vehicle; and~~

9 ~~(ii) the name and address of the owner of the motor vehicle and the~~
10 ~~lienholder, if any; and~~

11 ~~(B) proof that the salvage pool operator, before the 31st day after receiving the~~
12 ~~information from the insurance company, sent a notice to the owner and any lienholder informing them~~
13 ~~that:~~

14 ~~(i) the motor vehicle must be removed from the location specified in the~~
15 ~~notice not later than the 30th day after the date the notice is mailed; and~~

16 ~~(ii) if the motor vehicle is not removed within the time specified in the~~
17 ~~notice, the salvage pool operator will sell the motor vehicle and retain from the proceeds any costs~~
18 ~~actually incurred by the operator in obtaining, handling, and disposing of the motor vehicle, except for~~
19 ~~charges;~~

20 ~~(I) that have been or are subject to being reimbursed by a third~~
21 ~~party; and~~

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~~(II) for storage or impoundment of the motor vehicle.]~~

(5) Proof of notice under this subsection consists of:

(A) the validated receipts for registered or certified mail and return receipt or an electronic certified mail receipt, including signature receipt; and

(B) any unopened certified letters returned by the post office as unclaimed, undeliverable, or with no forwarding address.

(e) Recordation of lien on nonrepairable and salvage vehicle titles. If the motor vehicle is a salvage motor vehicle, a new lien or a currently recorded lien may be recorded on the salvage vehicle title. If the motor vehicle is a nonrepairable motor vehicle, only a currently recorded lien may be recorded on the nonrepairable vehicle title.

(f) Issuance. Upon receipt of a completed nonrepairable or salvage vehicle title application, accompanied by the statutory application fee and the required documentation, the department will, before the sixth business day after the date of receipt, issue a nonrepairable or salvage vehicle title, as appropriate.

(1) If the condition of salvage is caused exclusively by flood, a "Flood Damage" notation will be reflected on the face of the document and will be carried forward upon subsequent title issuance.

(2) If a lien is recorded on a nonrepairable or salvage vehicle title, the vehicle title will be mailed to the lienholder. For proof of ownership purposes, the owner will be mailed a receipt or printout of the newly established motor vehicle record, indicating a lien has been recorded.

(3) A nonrepairable vehicle title will state on its face that the motor vehicle may:

(A) not be repaired, rebuilt, or reconstructed;

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1 (B) not be issued a regular certificate of title or registered in this state;

2 (C) not be operated on a public highway; and

3 (D) may only be used as a source for used parts or scrap metal.

4

5 217.85. Replacement of Non[-]repairable or Salvage Motor Vehicle Ownership Documents.

6 (a) Location. Applications for certified copies of ownership documents for non[-]repairable or
7 salvage motor vehicles will only be processed at the department's Austin headquarters office.

8 (b) Notation. The certified copy will contain the words "Certified Copy" and the date issued, and
9 the motor vehicle record will be noted accordingly until ownership of the non[-]repairable or salvage
10 motor vehicle is transferred. Then the notation will be eliminated from the new ~~[certificate of]~~ title and
11 from the motor vehicle record.

12 (c) Replacement of non[-]repairable or salvage vehicle titles. If a non[-]repairable or salvage
13 vehicle title is lost or destroyed, the department will issue a certified copy of the ownership document
14 type originally issued, except as provided by subsection (d)(2) of this section, to the motor vehicle owner,
15 lienholder, or verifiable agent on submission of verifiable proof and payment of the appropriate fee as
16 provided in §217.7 of this title (relating to Replacement of Title).

17 (d) Replacement of non[-]repairable or salvage ownership documents issued prior to September
18 1, 2003.

19 (1) If a salvage certificate of title issued by this state prior to September 1, 2003, is lost
20 or destroyed, the department will issue a certified copy of a salvage vehicle title, to the motor vehicle

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owner, lienholder, or verifiable agent on proper application, submission of verifiable proof, and payment of the appropriate fee as provided in §217.7.

(2) If a non[-]repairable certificate of title or salvage certificate issued by this state prior to September 1, 2003, is lost or destroyed, the department will issue a salvage vehicle title to the motor vehicle owner, lienholder, or verifiable agent on proper application, submission of verifiable proof, and payment of the appropriate fee as provided in §217.7.

217.86. Dismantling, Scrapping, or Destruction of Motor Vehicles.

(a) A person who acquires ownership of a non[-]repairable or salvage motor vehicle for the purpose of dismantling, scrapping, or destruction shall, not later than the 30th day after the motor vehicle was acquired:

(1) submit to the department a report, on a form prescribed by the department:

(A) stating that the motor vehicle will be dismantled, scrapped, or destroyed;

and

(B) certifying that all unexpired license plates and registration validation stickers have been removed from the motor vehicle, in accordance with Occupations Code, §2302.252; and

(2) surrender to the department the properly assigned ownership document.

(b) The person shall:

(1) maintain records of each motor vehicle that will be dismantled, scrapped, or destroyed, as provided by Chapter 221, Subchapter D of this title (relating to Records); and

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1 (2) store all unexpired license plates and registration validation stickers removed from
2 those vehicles in a secure location.

3 (c) The department will issue the person a receipt with surrender of the report and ownership
4 documents.

5 (d) For purposes of dismantling, scrapping, or destruction, a nonrepairable or salvage motor
6 vehicle may only be transferred to a metal recycler upon issuance of a receipt as provided in subsection
7 (c) of this section. The transfer shall be documented on a form prescribed by the department and be
8 included with the transfer of the vehicle along with the receipt as provided in subsection (c) of this
9 section.

10 (e)[(d)] License plates and registration validation stickers removed from vehicles reported under
11 subsection (a)(1) of this section may be destroyed upon receipt of the acknowledged report from the
12 department.

13 (f)[(e)] The department will place an appropriate notation on motor vehicle records for which
14 ownership documents have been surrendered to the department.

15 (g)[(f)] Not later than 60 days after the motor vehicle is delivered to the metal recycler for
16 purposes of the vehicle being dismantled, scrapped, or destroyed, the person shall report to the
17 department and provide evidence that the motor vehicle has been dismantled, scrapped, or destroyed.

18

19 ~~[217.87. Rights of Holder of Non-repairable or Salvage Motor Vehicle Documents.]~~

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~~(a) The owner of a motor vehicle for which a salvage certificate or a non-repairable or salvage certificate of title was issued prior to September 1, 2003, or a salvage vehicle title issued on or after September 1, 2003:~~

~~(1) may:~~

~~(A) possess, transport, dismantle, scrap, or destroy, the motor vehicle;~~

~~(B) sell, transfer, or release ownership of the motor vehicle or used part from the motor vehicle as provided by §217.88 of this title (relating to Sale, Transfer, or Release of Ownership of a Non-repairable or Salvage Motor Vehicle); or~~

~~(C) repair, rebuild, or reconstruct the motor vehicle; and~~

~~(2) may not operate or permit operation of the motor vehicle on the public highways until a rebuilt salvage certificate of title is issued.~~

~~(b) The owner of a motor vehicle for which a non-repairable vehicle title was issued on or after September 1, 2003:~~

~~(1) may:~~

~~(A) possess, transport, dismantle, scrap, or destroy, the motor vehicle; or~~

~~(B) sell, transfer, or release ownership of the motor vehicle or used part from the motor vehicle as provided by §217.88; and~~

~~(2) may not:~~

~~(A) repair, rebuild, or reconstruct the motor vehicle;~~

~~(B) retitle or register the motor vehicle; and~~

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~~(C) operate or permit operation of the motor vehicle on the public highways.]~~

217.88. Sale, Transfer, or Release of Ownership of a Non[-]repairable or Salvage Motor Vehicle.

(a) Sale, transfer or release with ~~[With]~~ a non[-]repairable or salvage motor vehicle title. The ownership of a motor vehicle for which a non[-]repairable vehicle title, non[-]repairable record of title, salvage vehicle title, salvage record of title, or a comparable out-of-state ownership document has been issued, including a motor vehicle that has a "Flood Damage" notation on the title, may be sold, transferred, or released to anyone.

(b) Sale, transfer or release without ~~[Without]~~ a non[-]repairable or salvage motor vehicle title shall be consistent with Transportation Code, §501.095(a). ~~[If a non-repairable vehicle title, non-repairable record of title, salvage vehicle title, salvage record of title, or a comparable out-of-state ownership document has not been issued for a non-repairable or salvage motor vehicle, only a salvage vehicle dealer, used automotive parts recycler, metal recycler, insurance company, or governmental entity may sell, transfer, or otherwise release ownership of the motor vehicle. Such person may only sell, transfer, or otherwise release ownership of a motor vehicle to which this subsection applies to:~~

~~(1) a salvage vehicle dealer;~~

~~(2) a used automotive parts recycler;~~

~~(3) a metal recycler;~~

~~(4) a governmental entity; or~~

~~(5) an insurance company.]~~

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(c) Sale of self-insured non[-]repairable or salvage motor vehicle. The owner of a self-insured non[-]repairable or salvage motor vehicle that has been damaged and removed from normal operation shall obtain a non[-]repairable or salvage vehicle title before selling or otherwise transferring ownership of the motor vehicle.

(d) Casual sales. A salvage vehicle dealer, salvage pool operator, or insurance company may sell up to five non[-]repairable or salvage motor vehicles, for which non[-]repairable or salvage vehicle titles have been issued, to a person, not to include those specified in Transportation Code, §501.091(2)(A-C), in a casual sale during a calendar year.

(e) Records of casual sales.

(1) A salvage vehicle dealer, salvage pool operator, or insurance company must maintain records of each casual sale made during the previous 36 months~~, in accordance with Transportation Code, §501.108,~~ that at a minimum contain:

(A) the date of sale;

(B) the sales price;

(C) the name and address of the purchaser;

(D) a legible photocopy of a form of photo identification as specified in §217.7(b) of this title (Relating to Replacement of Title) ~~(the purchaser's government-issued photo identification);~~

(E) the form of identification provided, the identification document number, and the name of the jurisdiction that issued the identification document;

(F) the description of the motor vehicle, including] the vehicle identification number, model year, make, body style, and model;

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1 (G) a photocopy of the front and back of the properly assigned ownership
2 document provided to the purchaser; and

3 (H) the purchaser's certification, on a form provided by the department, that the
4 purchase of motor vehicles in a casual sale is not intended to circumvent the provisions of Transportation
5 Code, Chapter 501 (relating to Certificates of Title) and Occupations Code, Chapter 2302 (relating to
6 Salvage Vehicle Dealers).

7 2) Records may be maintained on a form provided by the department or in an electronic
8 format.

9 (3) Records must be maintained on the business premises of the seller, and shall be
10 made available for inspection upon request.

11 (f) Export-only sales.

12 (1) In accordance with Transportation Code, §501.099, only a licensed salvage vehicle
13 dealer, including a salvage pool operator acting as agent for an insurance company, or governmental
14 entity may sell a non[-]repairable or salvage motor vehicle to a person who resides outside the United
15 States, and only:

16 (A) when a non[-]repairable or salvage vehicle title has been issued for the
17 motor vehicle prior to offering it for export-only sale; and

18 (B) prior to the sale, the seller obtains a legible photocopy of a government-
19 issued photo identification of the purchaser that can be verified by law enforcement, issued by the
20 jurisdiction in which the purchaser resides that may consist of:

21 (i) a passport;

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1 (ii) a driver's license;
2 (iii) consular identity document;
3 (iv) national identification certificate or identity document; or
4 (v) other government-issued identification that includes the name of the
5 jurisdiction issuing the document, the purchaser's full name, foreign address, date of birth, photograph,
6 and signature.

7 (2) The seller must obtain the purchaser's certification, on a form prescribed by the
8 department, that the purchaser will remove the motor vehicle from the United States and will not return
9 the motor vehicle to any state of the United States as a motor vehicle titled or registered under its
10 manufacturer's vehicle identification number.

11 (3) The seller must provide the buyer with a properly assigned non[-]repairable or
12 salvage vehicle title.

13 (4) The seller must stamp FOR EXPORT ONLY and the seller's salvage vehicle dealer
14 license number or the governmental entity's name, whichever applies, on the face of the title and on any
15 unused reassignments on the back of the title.

16 (g) Records of export-only sales.

17 (1) A salvage vehicle dealer or governmental entity that sells a non[-]repairable or
18 salvage motor vehicle for export-only must maintain records of all export-only sales until the third
19 anniversary of the date of the sale.

20 (2) Records of each sale must include:

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(A) a legible copy of the stamped and properly assigned non[-]repairable or salvage vehicle title;

(B) the buyer's certified statement required by subsection (f)(2) of this section;

(C) a legible photocopy ~~[copy]~~ of a form of photo identification as specified in §217.88(f)(1)(B) of this title (Relating to the Sale, Transfer, or Release of Ownership of a Nonrepairable or Salvage Motor Vehicle) ~~[the buyer's photo identification document];~~

(D) a legible copy of any other documents related to the sale of the motor vehicle; and

(E) a listing of each motor vehicle sold for export-only that states the:

(i) date of sale;

~~[(ii) name and address of the seller;]~~

(ii)~~[(iii)]~~ name ~~[and address]~~ of the purchaser;

(iii)~~[(iv)]~~ purchaser's identification document number;

(iv)~~[(v)]~~ name of the country that issued the identification document;

(v)~~[(vi)]~~ the form of identification provided by the purchaser; and

(vi)~~[(vii) description of the motor vehicle that includes the year, make, model, and]~~ vehicle identification number of the motor vehicle.

(3) The listing required by paragraph (2)(E) of this subsection must be maintained either on a form provided by the department or in an electronic format approved by the department.

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(4) The salvage vehicle dealer or governmental entity shall submit the listing prescribed by paragraph (2)(E) of this subsection to the department within 30 days from the date of sale.

(5) Upon receipt of the listing prescribed by paragraph (2)(E) of this subsection, the department will place an appropriate notation on the motor vehicle record to identify it as a motor vehicle sold for export-only that may not be operated, retitled, or registered in this state.

217.89. Rebuilt Salvage Motor Vehicles.

(a) Filing for title. When a salvage motor vehicle or a non[-]repairable motor vehicle for which a non[-]repairable vehicle title was issued prior to September 1, 2003, has been rebuilt, the owner shall file a ~~certificate of~~ title application, as described in §217.4 of this title (relating to Initial Application for Title), for a rebuilt salvage certificate of title.

(b) Place of application. An application for a rebuilt salvage certificate of title shall be filed with the county tax assessor-collector in the county in which the applicant resides, in the county in which the motor vehicle was purchased or is encumbered, or to any county tax assessor-collector who is willing to accept the application.

(c) Fee for rebuilt salvage certificate of title. In addition to the statutory fee for a title application and any other applicable fees, a \$65 rebuilt salvage fee must accompany the application.

(d) Accompanying documentation. The application for a certificate of title for a rebuilt non[-]repairable or salvage motor vehicle must be supported, at a minimum, by the following documents:

(1) evidence of ownership, properly assigned to the applicant, as described in subsection (e) of this section;

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1 (2) a rebuilt statement, on a form prescribed by the department that includes:

2 (A) a description of the motor vehicle, which includes the motor vehicle's model
3 year, make, model, identification number, and body style;

4 (B) an explanation of the repairs or alterations made to the motor vehicle;

5 (C) a description of each major component part used to repair the motor vehicle
6 and showing the identification number required by federal law to be affixed to or inscribed on the part;

7 (D) the name of the owner and the name and address of the rebuilder;

8 (E) a statement by the owner that the owner is the legal and rightful owner of
9 the vehicle, the vehicle is rebuilt, repaired, reconstructed, or assembled and that the vehicle
10 identification number disclosed on the rebuilt affidavit is the same as the vehicle identification number
11 affixed to the vehicle;

12 (F) the signature of the owner, or the owner's authorized agent; and

13 (G) a statement by the rebuilder that the vehicle has been rebuilt, repaired, or
14 reconstructed by the rebuilder and that all component parts used were obtained in a legal and lawful
15 manner, signed by the rebuilder or the rebuilder's authorized agent or employee;

16 ~~[(3) evidence of inspection submitted by the person who repairs, rebuilds, or~~
17 ~~reconstructs a non-repairable or salvage motor vehicle in the form of disclosure on the rebuilt statement~~
18 ~~of the vehicle inspection report authorization or certificate number, and the date of inspection, issued by~~
19 ~~an authorized state safety inspection station after the motor vehicle was rebuilt, if the motor vehicle will~~
20 ~~be registered at the time of application;]~~

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(3)[(4)] an odometer disclosure statement properly executed by the seller of the motor vehicle and acknowledged by the purchaser, if applicable;

(4)[(5)] proof of financial responsibility in the title applicant's name, as required by Transportation Code §502.046, unless otherwise exempted by law, if the motor vehicle will be registered at the time of application;

(5)[(6)] unless otherwise exempted by law, a vehicle identification number inspection [report required by] under Transportation Code, §501.0321 [§548.256 and Transportation Code §501.030] if the motor vehicle was last titled or [and] registered in another [state or] country, or a document described under 217.4(d)(5) of this title (relating to Initial Application for Title) if the vehicle was last titled or registered in another state [unless otherwise exempted by law]; and

(6)[(7)] a release of any liens, unless there is no transfer of ownership and the same lienholder is being recorded as is recorded on the surrendered evidence of ownership.

(e) Evidence of ownership of a rebuilt salvage motor vehicle:

(1) may include:

(A) a Texas Salvage Vehicle Title;

(B) a Texas Non[-]repairable Certificate of Title issued prior to September 1, 2003;

(C) a Texas Salvage Certificate; or

(D) a comparable salvage certificate or salvage certificate of title issued by another jurisdiction, except that this ownership document will not be accepted if it indicates that the motor vehicle may not be rebuilt in the jurisdiction that issued the ownership document; but

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1 (2) does ~~may~~ not include:

2 (A) a Texas non[-]repairable vehicle title issued on or after September 1, 2003;

3 (B) an out-of-state ownership document that indicates that the motor vehicle is
4 non[-]repairable, junked, for parts or dismantling only, or the motor vehicle may not be rebuilt in the
5 jurisdiction that issued the ownership document; or

6 (C) a certificate of authority to dispose of a motor vehicle issued in accordance
7 with Transportation Code, Chapter 683.

8 (f) Rebuilt salvage certificate of title issuance. Upon receiving a completed certificate of title
9 application for a rebuilt salvage motor vehicle, along with the applicable fees and required
10 documentation, the transaction will be processed and a rebuilt salvage certificate of title will be issued.
11 The certificate of title will include a "Rebuilt Salvage" notation and a description or disclosure of the
12 motor vehicle's former condition on its face.

13 (g) Issuance of rebuilt salvage certificate of title to a motor vehicle from another jurisdiction. On
14 proper application, as prescribed by §217.4, by the owner of a motor vehicle that is brought into this
15 state from another jurisdiction and for which a certificate of title issued by the other jurisdiction contains
16 a "Rebuilt," "Salvage," or analogous title remark, the department will issue the applicant a certificate of
17 title or other appropriate document for the motor vehicle. A certificate of title or other appropriate
18 document issued under this subsection will show on its face:

19 (1) the date of issuance;

20 (2) the name and address of the owner;

21 (3) any registration number assigned to the motor vehicle;

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(4) a description of the motor vehicle as determined by the department; and

(5) any title remark the department considers necessary or appropriate.

SUBCHAPTER E. TITLE LIENS AND CLAIMS – No Changes

SUBCHAPTER F. MOTOR VEHICLE RECORDS

217.122. Definitions.

(a) Words and terms defined in Transportation Code Chapter 730 have the same meaning when used in this subchapter, unless the context clearly indicates otherwise.

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

(1) Department [-]_ Texas Department of Motor Vehicles.

(2) Requestor [-]_ A person, as defined by Transportation Code, §730.003(5), this state, or an agency of this state-seeking personal information contained in motor vehicle records directly from the department.

(3) Service agreement [-]_ A contractual agreement with the department that allows a requestor electronic motor vehicle records.

(4) Written request [-]_ A request submitted in writing, including by mail, electronic mail, or electronic media~~[, and facsimile transmission]~~.

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1 (5) Signature [-]_Includes an electronic signature, as defined by Transportation Code
2 §501.172, to the extent the department accepts such electronic signature.

3 (6) Batch Inquiry [-]_Access, under a service agreement, to department motor
4 vehicle records associated with Texas license plate numbers or vehicle identification numbers,
5 where requests are submitted electronically to the department in a prescribed batch format. The
6 department makes a disclosure for each record in a batch.

7 (7) MVInet Access [-]_Electronic access, under a service agreement, to the
8 department's motor vehicle registration and title database, with the ability to query records by a
9 Texas license plate number, vehicle identification number, placard number, or current or previous
10 document number. The department makes a disclosure each time a query of the system is made.

11 (8) Bulk [-]_A disclosure by the department under Transportation Code §730.007 of
12 at least 250 motor vehicle records containing personal information, including any of the files
13 defined by subsection (b)(10) - (13) of this section.

14 (9) Bulk contract [-]_A contractual agreement with the department for the disclosure of
15 motor vehicle records in bulk to the requestor.

16 (10) Master File [-]_A bulk file containing all the department's active and inactive
17 registration and title records.

18 (11) Weekly Updates [-]_A bulk file containing the department's new and renewed
19 vehicle registration and title records from the previous week.

20 (12) Specialty Plates File [-]_A bulk file containing Texas specialty license plate
21 records.

22 (13) eTAG File [-]_A bulk file containing records related to new or updated eTAGs,
23 vehicle transfer notifications, and plate-to-owner records.

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(14) Dealer/Supplemental File [-]_A pair of files, one containing records of registration and title transactions processed by dealers with the department during the previous week and another containing the dealers' information, that are only available as a supplement to a bulk contract that includes the Weekly Updates.

217.123. Access to Motor Vehicle Records.

(a) Except as required under subsection (f) of this section, a requestor seeking personal information from department motor vehicle records shall submit a written request in a form required by the department. A completed and properly executed form must include:

- (1) the name and address of the requestor;
- (2) a description of the requested motor vehicle records, including the Texas license plate number, title or document number, or vehicle identification number of the motor vehicle about which information is requested;
- (3) proof of the requestor's identity, in accordance with subsections (b) or (c) of this section;
- (4) a statement that the requestor:
 - (A) is the subject of the record;
 - (B) has the written consent of the person who is the subject of the record;or
 - (C) will strictly limit the use of the personal information in department motor vehicle records to a permitted use under Transportation Code Chapter 730, as indicated on the form;
- (5) a certification that the statements made on the form are true and correct; and

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1 (6) the signature of the requestor.

2 (b) Except as required by subsection (c) of this section, a requestor must provide the
3 requestor's current photo identification containing a unique identification number. The
4 identification must be a:

5 (1) driver's license, Texas Department of Public Safety identification, or state
6 identification certificate issued by a state or territory of the United States;

7 (2) United States or foreign passport;

8 (3) United States military identification card;

9 (4) United States Department of Homeland Security, United States Citizenship and
10 Immigration Services, or United States Department of State identification document;

11 (5) ~~[concealed handgun license or]~~ license to carry a handgun issued by the Texas
12 Department of Public Safety under Government Code Chapter 411, Subchapter H; or

13 (6) North Atlantic Treaty Organization identification or identification issued under a
14 Status of Forces Agreement.

15 (c) A requestor seeking personal information from department motor vehicle records for
16 use by a law enforcement agency must:

17 (1) present the requestor's current law enforcement credentials;

18 (2) electronically submit the request in a manner that the department can verify
19 that the requestor is acting on behalf of a law enforcement agency; or

20 (3) provide a written statement from a higher level in the chain of command on the
21 law enforcement agency's letterhead stating that the requestor is not authorized to provide
22 current law enforcement credentials and identifying the intended use or the ~~[law enforcement]~~
23 agency's incident or case number for which the personal information is needed.

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1 (d) A requestor seeking personal information from department motor vehicle records for
2 use by a law enforcement agency may submit a verbal request to the department if the law
3 enforcement agency has provided reasonable assurances that were accepted by the department as
4 to the identity of the requestor within the last 12 months on a form required by the department. If
5 a request is submitted verbally, the department may require the requestor to confirm the request
6 in writing.

7 (e) A requestor may receive electronic access to department motor vehicle records under
8 the terms and conditions of a service agreement.

9 (1) Before a requestor can enter into a service agreement, the requestor must file a
10 completed application on a form required by the department, for review and approval by the
11 department. An application for a service agreement must include:

12 (A) a statement that the requestor will strictly limit the use of the personal
13 information from department motor vehicle records to a permitted use under Transportation Code
14 Chapter 730, as indicated on the application;

15 (B) the name and address of the requestor;

16 (C) proof of the requestor's identity, in accordance with subsections (b) or
17 (c) of this section;

18 (D) copies of agreements used by the requestor to release motor vehicle
19 record information to third parties;

20 (E) any additional material provided to third party requestors detailing the
21 process in which they obtain motor vehicle record information and describing their limitations as
22 to how this information may be used;

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1 (F)(D) the signature of the requestor or, if the requestor is an organization
2 or entity, the signature of an officer or director of the requestor; and

3
4 (G)(E) a certification that the statements made in the application are true
5 and correct.

6 (2) If the department determines any of the information provided in the application is
7 incomplete, inaccurate, or does not meet statutory requirements the department will not enter into a
8 service agreement to release motor vehicle record information.

9 (3)(2) Unless the requestor is exempt from the payment of fees, a service
10 agreement must contain an adjustable account, in which an initial deposit and minimum balance is
11 maintained in accordance with §217.124 of this title (relating to Cost of Motor Vehicle Records).
12 Notwithstanding §217.124 of this title, the department may modify initial deposit and minimum
13 balance requirements depending on usage.

14 (f) Access to bulk motor vehicle records. A requestor seeking access to department motor
15 vehicle records in bulk must enter into a bulk contract with the department.

16 (1) Before a requestor can enter into a bulk contract, the requestor must file a
17 completed application on a form required by the department, for review and approval by the
18 department. An application for a bulk contract must include:

19 (A) a statement that the requestor will strictly limit the use of the personal
20 information to a permitted use under Transportation Code Chapter 730, as indicated on the
21 application;

22 (B) the name and address of the requestor;

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1 (C) proof of the requestor's identity, in accordance with §217.123(b) or (c)
2 of this title (relating to Access to Motor Vehicle Records);

3 (D) copies of agreements used by the requestor to release motor vehicle
4 record information to third parties;

5 (E) any additional material provided to third party requestors detailing the
6 process in which they obtain motor vehicle record information and describing their limitations as
7 to how this information may be used;

8 (F)[(D)] a certification that the statements made on the form are true and
9 correct; and

10 (G)[(E)] the signature of the requestor or, if the requestor is an organization
11 or entity, the signature of an officer or director of the requestor.

12 (2) If the department determines any of the information provided is incomplete,
13 inaccurate, or does not meet statutory requirements the department will not enter into a bulk contract
14 to release motor vehicle record information.

15 (3)[(2)] Prior to the execution of a bulk contract, a requestor must provide proof
16 the requestor has:

17 (A) posted a \$1 million performance bond, payable to this state,
18 conditioned upon the performance of all the requirements of Transportation Code Chapter 730
19 and this subchapter; and

20 (B) insurance coverage in the amount of at least \$3 million and that meets
21 the requirements of Transportation Code §730.014(c)(3).

22 (g) If a person is convicted of an offense under Transportation Code Chapter 730 or is
23 found by a court to have violated a rule under this subchapter, then any contract with that person

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1 to access department motor vehicle records is terminated as of the date of the court's final
2 determination.

3 (h) The requirements of this section do not apply to discovery, subpoena, or other means
4 of legal compulsion for the disclosure of personal information.

5 (i) An authorized recipient will receive requested motor vehicle records in accordance with
6 Title 18 U.S.C. §2721 et seq.; Transportation Code Chapter 730; Government Code §552.130; and
7 this subchapter.

8
9 217.124. Cost of Motor Vehicle Records.

10 (a) Standard costs. The department will charge fees in accordance with Government Code
11 Chapter 552 and the cost rules promulgated by the Office of the Attorney General in 1 Texas
12 Administrative Code Chapter 70 (relating to Cost of Copies of Public Information).

13 (b) Law enforcement. An employee of a state, federal, or local law enforcement agency is
14 exempt from the payment of fees for motor vehicle records in subsection (c)(1) - (4) of this section
15 if the records are necessary to carry out lawful functions of the law enforcement agency.

16 (c) Motor vehicle record costs:

17 (1) Title history - \$5.75;

18 (2) Certified title history - \$6.75;

19 (3) Title and registration verification (record search) - \$2.30; and

20 (4) Certified title and registration verification (record search) - \$3.30.

21 (d) Electronic motor vehicle records and files:

22 (1) Master File - \$5,000 plus \$.38 per 1,000 records;

23 (2) Weekly Updates - deposit of \$1,755 and \$135 per week;

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- 1 (3) eTAG File - deposit of \$845 and \$65 per week;
- 2 (4) Dealer/Supplemental File - deposit of \$1,235 and \$95 per week;
- 3 (5) Specialty Plates File - deposit of \$1,235 and \$95 per week;
- 4 (6) Batch Inquiry - deposit of \$1,000, minimum balance of \$750 and \$23 per run
- 5 plus \$.12 per record;
- 6 (7) MVInet Access - deposit of \$200, minimum balance of \$150 and \$23 per month
- 7 plus \$.12 per record; and
- 8 (8) Scofflaw remarks (inquiry, addition, or deletion) - deposit of \$500, minimum
- 9 balance of \$350 and \$23 per run plus \$.12 per record.
- 10 (e) Texas governmental entities, as defined in Government Code §2252.001, the Texas Law
- 11 Enforcement Telecommunication System, and toll project entities, as defined by Transportation
- 12 Code §372.001 are exempt from the payment of fees, except for the fees listed in subsection
- 13 (d)(1), (6), or (8) of this section.
- 14 ~~[(f) Fee Exemptions. Fees established in this section may be waived for entities listed in~~
- 15 ~~subsection (e), by entering into a reciprocity agreement with the department for records access, or at~~
- 16 ~~the discretion of the department. Reciprocity agreements. The department may enter into~~
- 17 ~~reciprocity agreements for records access with other governmental entities that may waive some~~
- 18 ~~or all of the fees established in this section.]~~
- 19
- 20 217.125. Additional Documentation Related to Certain Permitted Uses.
- 21 (a) The department may require a requestor to provide reasonable assurance as to the
- 22 identity of the requestor and that the use of motor vehicle records is only as authorized under
- 23 Transportation Code §730.012(a). Where applicable, each requestor submitting a request for

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1 motor vehicle records shall provide documentation satisfactory to the department that they are
2 authorized to request the information on behalf of the organization, entity, or government agency
3 authorized to receive the information.

4 (b) Requestors seeking personal information from motor vehicle records from the
5 department for a permitted use listed in this subsection must submit additional documentation.

6 (1) A request under Transportation Code §730.007(a)(2)(C) must include the
7 personal information the business is attempting to verify against the department's motor vehicle
8 records and documentation sufficient to prove the requestor is a business actively licensed by,
9 registered with, or subject to regulatory oversight by a government agency.

10 (2) A request under Transportation Code §730.007(a)(2)(D) must include proof of a
11 legal proceeding relating to the request, or if no proceeding has been initiated, proof the
12 requestor is in anticipation of litigation relating to the request which would necessitate the release
13 of the document(s) requested.

14 (3) A request under Transportation Code §730.007(a)(2)(E) must include
15 documentation sufficient to prove the requestor is employed [~~in a researching occupation.~~] by an
16 entity in the business of conducting research related to the requested information and
17 demonstrating the employment relationship. The Department has discretion in determining
18 whether the entity is in the business of conducting research related to the requested information
19 and in determining whether the documentation provided is sufficient to demonstrate an
20 employment relationship.

21 (4) A request under Transportation Code §730.007(a)(2)(F) must include an active
22 license number provided by the Texas Department of Insurance or an active out-of-state license

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number provided by the relevant regulatory authority, an active license number the insurance support organization is working under, or proof of self-insurance.

(5) A request under Transportation Code §730.007(a)(2)(G) must include an active license number provided by the Texas Department of Licensing and Regulation or an active out-of-state license number provided by the relevant regulatory authority.

(6) A request under Transportation Code §730.007(a)(2)(H) must include an active license number provided by the Texas Department of Public Safety or an active out-of-state license number provided by the relevant regulatory authority.

(7) A request under Transportation Code §730.007(a)(2)(I) must include a copy of an active commercial driver's license.

(8) A request under Transportation Code §730.007(a)(2)(J) must include documentation to relate the requested personal information with the operation of a toll transportation facility or another type of transportation project as described by Transportation Code §370.003.

(9) A request under Transportation Code §730.007(a)(2)(K) must include documentation on official letterhead indicating a permitted use for personal information, as defined by the Fair Credit Reporting Act (15 U.S.C. §1681 et. Seq.).

(10) A request under Transportation Code §730.007(a)(2)(L) must include an active license number of a manufacturer, dealership, or distributor issued by the department or an active out-of-state license number provided by the relevant regulatory authority.

(11) A request under Transportation Code §730.007(a)(2)(M) must include an active license or registration number of a salvage vehicle dealer, an independent motor vehicle dealer, or

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1 a wholesale motor vehicle dealer issued by the department; or an active license issued by the
2 Texas Department of Licensing and Regulation to a used automotive parts recycler; or other proof
3 that the requestor is subject to regulatory oversight by an entity listed in Transportation Code
4 §730.007(a)(2)(M)(iv).

5 (c) The department may require a requestor to provide additional information to clarify the
6 requestor's use of the personal information under Transportation Code Chapter 730, if the
7 reasonable assurances provided with the request are not satisfactory to the department

8
9 217.129. Ineligibility to Receive Personal Information Contained in Motor Vehicle Records.

10 (a) The department may deny a request for or cease disclosing personal information
11 contained in the department's motor vehicle records if it determines withholding the information
12 benefits the public's interest more than releasing the information so long as the request is not
13 from a requestor identified under Transportation Code, §730.006.

14 (b) If the department determines an authorized recipient has violated a term or condition
15 of a contract with the department to access motor vehicle records and the department terminates
16 the contract, that authorized recipient cannot enter into a subsequent contract with the
17 department to access motor vehicle records unless approved to do so under §217.130 of this title
18 (relating to Approval for Persons Whose Access to Motor Vehicle Records Has Previously Been
19 Terminated).

20 (c) Termination of a contract with the department to access motor vehicle records caused
21 by any member of an organization or entity shall be effective on the whole organization or entity.
22 Subsequent organizations or entities formed by any member, officer, partner, or affiliate of an
23 organization or entity whose contract with the department to access motor vehicle records been

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1 terminated cannot enter into a subsequent contract with the department to access motor vehicle
2 records, unless approved to do so under §217.130 of this title (relating to Approval for Persons
3 Whose Access to Motor Vehicle Records Has Previously Been Terminated).

4 217.131. Notices Regarding Unauthorized Recipient.

5 (a) For the purposes of this section, a requestor includes a person, as defined by
6 Transportation Code, §730.003(5), the state, or an agency of this state that previously received
7 personal information from department motor vehicle records.

8 (b) A requestor who is not an authorized recipient must, not later than 90 days after the
9 date the requestor becomes aware that the requestor is not an authorized recipient, delete from
10 the requestor's records any personal information received from the department that the requestor
11 is not permitted to receive and use under Transportation Code Chapter 730.

12 (c) A requestor who becomes aware that the requestor is not an authorized recipient must
13 promptly notify the department that the requestor is not an authorized recipient and provide the
14 date they became aware.

15 (d) If the department becomes aware that the requestor is not an authorized recipient
16 before receiving notice from the requestor, the department will send a written notice to the
17 requestor stating that the requestor is not an authorized recipient. If the requestor was not
18 already aware that it is not an authorized recipient, within 90 days from the date the department
19 sends its notice under this subsection, requestor must delete any personal information received
20 from the department that the requestor is not permitted to receive and use under Transportation
21 Code Chapter 730.

22 (e) A requestor who becomes aware that the requestor is not an authorized recipient must
23 notify the department when all the department's personal information has been deleted.

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SUBCHAPTER G. INSPECTION

4

5 217.143. Inspection Requirements.

6 (a) On initial titling of an assembled vehicle under Transportation Code Chapter 731, and

7 Subchapter L of this title (relating to Assembled Vehicles), with the exception of an assembled

8 motorcycle, assembled trailer, and glider kit, an applicant must provide proof, on a form

9 prescribed by the department, of a safety inspection performed by a master technician.

10 (b) In addition to the requirement under subsection (a) of this section, an owner applying

11 for initial registration of a custom vehicle or street rod must provide proof, on a form prescribed

12 by the department, of a safety inspection performed by a master technician under this section as

13 required under Transportation Code §504.501(e).

14 (c) The inspection must meet the minimum requirements under Transportation Code,

15 §731.102 to evaluate the structural integrity and proper function of the equipment.

16 (d) The inspector must certify that:

17 (1) the vehicle and equipment are structurally stable;

18 (2) the vehicle and equipment meet the necessary conditions to be operated safely

19 on the roadway;

20 (3) equipment used in the construction of the vehicle, for which a federal motor

21 vehicle safety standard exists, complies with the applicable standard; and

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(4) if the vehicle is a custom vehicle or street rod, the vehicle is equipped and operational with all equipment required by statute as a condition of sale during the year the vehicle was manufactured or resembles.

(e) The inspection of an assembled vehicle required under subsection (a) of this section is in addition to all other required inspections including an inspection required under Transportation Code Chapter 548.

(f) The applicant must pay all fees to the master technician for the inspection of an assembled vehicle required under subsection (a) of this section, including any reinspection.

(g) In addition to the fees in subsection (f) of this section, the applicant must pay all applicable fees for other required inspections as required by law, including any applicable [an] inspection or reinspection required under Transportation Code Chapter 548.

217.144. Identification Number Inspection.

(a) In addition to any other requirement specified by Transportation Code, §501.0321, a person is qualified to perform an inspection under Transportation Code, §501.0321, if that person has completed one of the following training programs:

(1) Intermediate or Advanced Motor Vehicle Crime Investigator Training provided by the Motor Vehicle Crime Prevention Authority;

(2) Auto Theft School (Parts 1 and 2) provided by the Texas Department of Public Safety; or

(3) Auto Theft Course provided by the National Insurance Crime Bureau.

(b) If a person qualified to perform an inspection under §501.0321, Transportation Code, is unable to determine a manufactured motor vehicle's original year of manufacture or

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original make designation, the department will not issue title and registration to the motor vehicle. A person inspecting a motor vehicle under §501.0321 who is able to identify the motor vehicle as a manufactured motor vehicle, but is unable to identify the manufactured motor vehicle's original year of manufacture or original make designation, or both, may not identify the vehicle as an assembled, homemade, or shop made vehicle.

SUBCHAPTER H. DEPUTIES

217.168. Deputy Fee Amounts.

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

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

(1) A full service deputy may charge the customer a fee of up to \$20, as determined by the full service deputy and approved by the tax assessor-collector. The full service deputy retains the entire fee charged to the customer.

(2) A dealer deputy may charge the customer a fee of up to \$10, as determined by the dealer deputy and approved by the tax assessor-collector. The dealer deputy retains the entire fee charged to the customer. This section does not preclude a dealer deputy from charging a documentary fee authorized by Finance Code, §348.006.

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

(1) A full service deputy may:

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

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1 (B) charge a convenience fee of \$9, except as limited by §217.184 of this
2 title (relating to Exclusions).

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

5 (d) Special registration [Temporary] permit and special registration license plate
6 transactions under Transportation Code, §502.094 or §502.095. For each special registration
7 [temporary] permit or special registration license plate transaction processed by a full service
8 deputy, the full service deputy may retain the entire processing and handling fee established by
9 §217.183.

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

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

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

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

SUBCHAPTER I. PROCESS AND HANDLING FEES

217.181. Purpose and Scope.

This subchapter prescribes the processing and handling fee authorized by Transportation Code, §502.1911, which includes the fee established under Transportation Code, §502.356(a), and is sufficient to cover the expenses associated with collecting registration fees by the department, a county tax assessor-collector, a private entity with which a county tax assessor-collector contracts under Transportation Code, §502.197, or a deputy assessor-collector that is deputized in accordance with Subchapter H of this chapter (relating to Deputies).

217.182. Registration Transaction.

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

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(1) a registration, registration renewal, special registration license plate, or special registration permit issued under Transportation Code, Chapter 502, Subchapter C (Special Registrations);

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

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

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

(5) a golf cart license plate under Transportation Code, §551.402; or

(6) a package delivery vehicle license plate under Transportation Code, §551.452.

(7) an off-highway vehicle license plate under Transportation Code, §551A.052.

217.184. Exclusions.

The following transactions are exempt from the processing and handling fee established by §217.183 of this title (relating to Fee Amount), but are subject to any applicable service charge set

217.185. Allocation of Processing and Handling Fee.

(a) For registration transactions, except as provided in subsection (b) of this section, the fee amount established in §217.183 of this title (relating to Fee Amount) shall be allocated as follows:

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

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

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

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

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

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

~~(3)~~ If the registration transaction was processed through the department or the TxIRP system or is a registration processed under Transportation Code, §§502.0023, 502.091, or 502.255; or ~~§217.46(b)(5) or~~ §217.46(d)(1)(B)(i) of this title (relating to Commercial Vehicle Registration):

(A) \$2.30 will be remitted to the county tax assessor-collector; and

(B) the remaining amount shall be retained by the department.

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

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

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

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

(4)~~[(5)]~~ If the registration transaction was processed by a limited service deputy or full service deputy appointed by the county tax assessor-collector in accordance with Subchapter H of this chapter (relating to Deputies):

(A) the deputy may retain:

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

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

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

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

~~(5)~~[(6)] If the registration transaction was processed by a dealer deputy appointed by the county tax assessor-collector in accordance with Subchapter H of this chapter (relating to Deputies):

(A) the deputy must remit the processing and handling fee to the county tax assessor-collector;

(B) the county tax assessor-collector may retain \$2.30; and

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

(b) For transactions under Transportation Code, §§502.092-502.095, the entity receiving the application and processing the transaction collects and retains the entire processing and handling fee established in §217.183. A full service deputy processing a **special registration** **[temporary] permit or special registration license plate** transaction may not charge a convenience fee for that transaction.

SUBCHAPTER J. PERFORMANCE QUALITY RECOGNITION PROGRAM – No changes

SUBCHAPTER K. ELECTRONIC SIGNATURES – No

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SUBCHAPTER L. ASSEMBLED VEHICLES

217.404. Initial Application for Title.

(a) ~~[Prior to applying for title,]~~ An applicant must submit to the department a complete application for title. The application may be submitted in person, by mail, or electronically, to the department. The application must include:

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

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

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

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

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

(6) a Rebuilt Vehicle Statement;

(7) a weight certificate;

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

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

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

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

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

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

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

(c) If the department determines that the application is complete and the vehicle meets assembled vehicle qualifications, the department will issue a letter to the applicant on department letterhead, stating that the application is complete and that the vehicle qualifies as an assembled vehicle. The letter shall include a list of the supporting documents and information identified in subsection (d)(2) of this section.

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

- (1) the department-issued letter described in subsection (c) of this section;
- (2) copies of all items required to be submitted to the department in subsection (a)(1) - (9) of this section; and
- (3) the requirements as identified in §217.23 of this chapter (relating to Initial Application for Vehicle Registration) if obtaining registration.

217.405. Evidence of Ownership.

(a) Evidence of ownership in the name of or properly assigned to the applicant must accompany the title application submitted to the department.

(b) The evidence of ownership for a replica, custom vehicle, street rod, or glider kit built by a manufacturer must be a manufacturer's certificate of origin, indicating:

- (1) the vehicle identification number assigned to the vehicle by the manufacturer;
- (2) the make as ASVE, unless a glider kit;
- (3) a notation the vehicle is a replica and what the vehicle is a replica of if a replica, custom vehicle, or street rod; and
- (4) the municipality and state in which the vehicle was completed.

(c) The evidence of ownership for an assembled vehicle not previously titled as an assembled vehicle by the owner, or built by a hobbyist, must contain the identifying number(s) of the corresponding basic component part(s). Evidence of ownership is required for basic component parts used from a vehicle titled in the name of the applicant, depending on the year

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1 and manufacturer of the vehicle. The following evidence of ownership is required if the assembled
2 vehicle is constructed with basic component parts from a vehicle not titled in the name of the
3 applicant:

4 (1) Motor. A bill of sale is required.

5 (2) Frame. A bill of sale, certificate of origin, or title depending on the year and
6 manufacturer of the frame.

7 (3) Body. A bill of sale, certificate of origin, or title depending on the year and
8 manufacturer of the body.

9 (4) Kit. A bill of sale or certificate of origin for the kit.

10 (5) New fabrication. A bill of sale, invoice, or receipts covering the material used to
11 construct the basic component part.

12 (d) An owner who is unable to obtain the evidence of ownership required under subsection
13 (a) of this section may:

14 (1) file a bond with the department in accordance with Transportation Code
15 §501.053, and §217.9 of this chapter (relating to Bonded Titles); and

16 (2) submit an application for title in the same manner as an applicant in accordance
17 with Transportation Code Chapter 731, and this subchapter.

18 (e) The department will assign a number or reassign the manufacturer's vehicle
19 identification number to an assembled vehicle based on the result of the vehicle inspection under
20 §217.404(a)(9)(A) or (B) of this subchapter (relating to Initial Application for Title). The owner
21 under subsection (d) of this section establishing the vehicle identification number of an assembled
22 vehicle under §217.404(a)(9)(A) or (B) of this subchapter, may use the vehicle identification
23 number to satisfy the vehicle identification number requirement under §217.9 of this chapter and

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- 1 obtain a bond under §217.9 of this chapter to be filed with the department. The bond will be
- 2 evidence of ownership under subsection (a) of this section.

3

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Note: Only the highlighted language reflects the draft changes to implement HB 718 and HB 3297. The other unhighlighted amendments reflect the rule changes the TxDMV Board voted to propose at the December 2022 meeting, and included here only for context.

PROPOSAL OF REVISIONS TO

SUBCHAPTER C. LICENSED OPERATIONS

221.54. Criteria for Site Visits.

In determining whether to conduct a site visit at an active salvage vehicle dealer's location, the department will consider whether the dealer has:

(1) failed to respond to a records request;

(2) failed to operate from the license location; ~~or~~

(3) an enforcement history that reveals failed compliance inspections or multiple complaints with administrative sanctions being taken by the department;

(4) a business location that fails to meet premises or operating requirements under this chapter; ~~or~~

(5) records that require further investigation by the department;

(6) failed to remove a license plate or stickers from a scrapped or destroyed vehicle,

(7) failed to timely or accurately report to the department or enter in the system designated by the department, a license plate from a scrapped or destroyed vehicle, or

(8) failed to scrap or destroy license plates and stickers from a scrapped or destroyed vehicle.

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- 1 (9) the sales contract or buyer's order;
- 2 (10) the salvage disclosure notice required under §221.51 of this title (relating to Duty to
- 3 Identify a Motor Vehicle Offered for Sale);
- 4 (11) a copy of the photo identification document required for export sales under
- 5 §221.52 (relating to Export-Only Sales);
- 6 (12) records for a casual sale as required under §221.53 (relating to Casual Sales); and
- 7 (13) any other records required under current rules in this title.