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**PROPOSAL OF**

**SUBCHAPTER B. LICENSING**

**43 TAC §221.15 and 221.19**

**SUBCHAPTER F. ADMINISTRATIVE SANCTIONS**

**43 TAC §221.111 AND §221.112**

**REPEAL OF**

**43 TAC §221.113 AND §221.114**

**INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes amendments to Transportation Code §221.15 relating required license application information; §221.19 related to change of a license holder’s name or ownership; §221.111 related to denial of license; and §221.112 related to license suspension, revocation and administrative penalties. The department also proposes to repeal §221.113 and §221.114. The changes update licensing application, fitness, denial, suspension, revocation, and penalty rules under Occupations Code Chapter 2302, and remove references to salvage vehicle agents and salvage vehicle dealer endorsements to implement Senate Bill (SB) 604, 86th Legislature, Regular Session, (2019).

In conjunction with this proposal, the department has proposed new §§211.1 - 211.5 concerning criminal offense and action on licenses, and amendments to §215.89 and repeal of §215.88 concerning licenses under Occupations Code Chapter 2301 and Transportation Code Chapter 503, in this issue of the *Texas Register*.

**EXPLANATION.** The proposed amendments to §§221.15, 221.19, 221.111, and 221.112, update and clarify requirements, and establish references concerning the review of criminal history information under proposed new Chapter 211 that has been proposed in accordance with Occupations Code Chapter 53 and

1 the Sunset Advisory Commission's Management Action 4.6, as stated in the Sunset Staff Report with  
2 Commission Decisions, 2018-2019, 86th Legislature (2019).

3 The Sunset report directs the department to adopt criminal history evaluation rules consistent  
4 with Occupations Code Chapter 53, for salvage industry regulation. Occupations Code, §53.021,  
5 authorizes a licensing authority to suspend or revoke a license, or disqualify a person from receiving a  
6 license, if the person has been convicted of a felony or misdemeanor that directly relates to the duties  
7 and occupations of the licensed occupation. Proposed new Chapter 211 addresses the requirements  
8 under Occupations Code Chapter 53 for licenses issued under Chapter 215 and 221.

9 Under Occupations Code §2302.104, an application for a salvage dealer license must include a  
10 statement of the previous history, record, and associations of the applicant to the extent sufficient to  
11 establish, to the satisfaction of the department, the business reputation and character of the applicant.  
12 Under Occupations Code §2302.105, the department may not issue a license until the department  
13 completes an investigation of the applicant's qualifications.

14 The proposed amendment to §221.15(2) eliminate references to salvage vehicle dealer license  
15 endorsements and salvage vehicle agents to conform with changes in SB 604. The paragraphs are  
16 renumbered accordingly.

17 The proposed amendments to §221.15(9) revise the statement to conform with the requirements  
18 of Occupations Code §2302.104.

19 The proposed amendments to §221.15(12) identify the persons who will be considered in the  
20 license review under Occupations Code §2302.104.

21 The proposed amendments to §221.15(13) clarify that the department is concerned with  
22 affiliations that allow for control of the license holder, and describe control as "the power to direct or

1 cause the direction of the management, policies, and activities, of an applicant or license holder, whether  
2 directly or indirectly."

3 The proposed amendment to §221.15(14) clarifies which persons are required to submit criminal  
4 history information. Criminal history information will be evaluated under proposed new Chapter 211, as  
5 addressed in amendments §221.111(a)(3) and §221.112(16).

6 The proposed amendment to §221.15(15) clarifies that the department collects professional  
7 history information to determine business reputation as required in Occupations Code §2302.104.

8 Section 221.19 requires license holders to keep certain information current with the department.  
9 Proposed amendments to 221.19 clarify what types of organizational changes require notice to the  
10 department. These changes include a change in entity type, addition of a new person for whom criminal  
11 and professional history information would be required, or a business arrangement that extends control  
12 of the license holder to other persons for whom criminal and professional history information would be  
13 required.

14 The amendment to §221.19(c) establishes that the license holder is not required to submit a new  
15 application, but just the information that is necessary to address the change. The proposed amendment  
16 to §221.19(c) also removes requirements related to a 50% change of ownership, because that is  
17 unnecessary based on the proposed amendment to §221.19(b). Finally, the proposed amendment to  
18 §221.19 extends the period for compliance to 30 days after the event.

19 The proposed amendment to §221.111(a) clarifies that the section applies to the board or  
20 department's review of an application for issuance or renewal of a license. The proposed amendment to  
21 §221.111(a) also replaces "shall" with "may" to clarify that the department's action is discretionary. A  
22 license may be denied based on an applicant's prior criminal history after weighing the factors in

1 Occupations Code Chapter 53 and proposed new §211.3, or for reasons authorized in Occupations Code  
2 Chapter 2302 and this chapter.

3 The proposed amendments to §221.111(a)(2) clarify the persons the department will consider in  
4 making its evaluation, and in what actions.

5 The proposed amendments §221.111(a)(3) clarify the persons who will be subject to criminal  
6 history review and the offenses that will be reviewed.

7 The proposed amendment to §221.111(a)(4) clarifies that the department will consider the  
8 circumstances related to the revocation of a prior license in its evaluation of fitness for a license under  
9 this chapter. The amendment also deletes language addressing the prohibition on applying for a license  
10 within one year following revocation of the license under Occupations Code §2302.108. That provision is  
11 addressed in proposed §221.111(c).

12 The proposed amendment to §221.111(a)(5) focuses the review on control, specifically an  
13 ownership, organizational, managerial, or other business arrangement, that would "allow a person the  
14 power to direct, management, policies, or activities, of the applicant or license holder, whether directly  
15 or indirectly." The references to family members are removed. While a family member could be a person  
16 described in the proposed amendment, the person would not be included on the basis that they were a  
17 family member.

18 The proposed amendment to §221.111(a)(6) focuses the review on prior disciplinary activity  
19 against specified persons with prior administrative action against a license. The proposed amendment  
20 deletes language referencing applicants with a child support payment delinquency, which would be  
21 handled as required under Family Code Chapter 232.

22 The proposed amendment to §221.111(b) clarifies that an applicant may request an  
23 administrative hearing when the department pursues denial of an application.

1           The proposed amendment to §221.111(c) addresses Occupations Code §2302.108, which  
2 expressly prohibits a person whose license is revoked from applying for a new license before the first  
3 anniversary of the date of the revocation. The department will reject such an application.

4           The proposed amendment to §221.112 clarifies that either the board or the department may take  
5 action on a license that has been issued by the Motor Vehicle Division for certain acts or omissions.

6           The proposed amendment to §221.112(1) clarifies that action on a license may be made for failing  
7 to meet qualifications and requirements.

8           The proposed amendment to §221.112(2) clarifies that the board or department may take action  
9 on a person's license if the person violates laws relating to other sectors of the industry for which a license  
10 issued by the Motor Vehicle Division is required.

11           The proposed amendment to §221.112(3) corrects the spelling of "willfully."

12           The proposed amendment to §221.112(6) clarifies that a person may not engage in business  
13 without the required license and eliminates a reference to salvage vehicle dealer license endorsements.

14           The proposed amendments to §§221.112(12), 221.112(15), and 221.112(20) correct the spelling  
15 of "nonrepairable."

16           The proposed amendment to §221.112(8) clarifies specific information that must be reported by  
17 a license holder to the department within 30 days of a change.

18           The proposed amendment to §221.112(9) clarifies that any changes made under §221.19(b) must  
19 be reported to the department within 30 days.

20           The proposed amendment to §221.112(10) removes the requirement to notify the department  
21 that a salvage vehicle agent has been terminated. The following paragraphs are renumbered accordingly.

1           The proposed amendments to §§221.112(13) - 221.112(15) correct punctuation and grammatical  
2 errors, and clarify that action may be taken on a license for a person’s violation of law or board rules  
3 relating to the motor vehicle industry for which the board has jurisdictional authority.

4           The proposed amendment to §221.112(16) clarifies the persons who will be subject to criminal  
5 history review and the offenses that will be reviewed.

6           The proposed amendment to §221.112(19) clarifies that a license holder must pay all  
7 administrative penalties imposed by the department, not just those imposed under Occupations Code  
8 Chapter 2302.

9           The proposed amendment to §221.112(20) clarifies that the board or department may take action  
10 on a license if a person is engaging in business without a license that is required under Occupations Code  
11 Chapter 2301 or Chapter 2302 or Transportation Code Chapter 503. Additionally, the amendment  
12 corrects a punctuation error.

13           Repeal of §221.113, Suspension or Refusal to Renew Due to Failure to Pay Court Ordered Child  
14 Support, is required under Family Code Chapter 232.

15           Repeal of §221.114, Re-application after Revocation of License, is proposed because the subject  
16 matter is now found in §221.111(b).

17 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Linda M. Flores, Chief Financial Officer,  
18 has determined that for each year of the first five years the proposed new section will be in effect, there  
19 will be no fiscal impact to state or local governments as a result of the enforcement or administration of  
20 the proposal. Daniel Avitia, Director of the Motor Vehicle Division, has determined that there will be no  
21 measurable effect on local employment or the local economy as a result of the proposal.

22 **PUBLIC BENEFIT AND COST NOTE.** Mr. Avitia has also determined that, for each year of the first five years  
23 the proposed new section is in effect, the public benefits include updating the licensing fitness reviews

1 requirements to clarify affiliations that are applicable to licensing, conform to statute, and conform to a  
2 proposed amended criminal history review process under proposed new Chapter 211.

3 Mr. Avitia anticipates that there will be no additional costs on regulated persons to comply with  
4 these rules, because the rules do not establish any additional requirements or costs for the regulated  
5 person.

6 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by Government  
7 Code, §2006.002, the department has determined that the proposed new section will not have an adverse  
8 economic effect on small businesses, micro-businesses, or rural communities because the proposal  
9 imposes no additional requirements, and has no additional financial effect, on any small businesses,  
10 micro-businesses, or rural communities. Therefore, the department is not required to prepare a  
11 regulatory flexibility analysis under Government Code, §2006.002.

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

16 **GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the first  
17 five years the proposed new section is in effect, the proposed rule:

- 18 will not create or eliminate a government program;
- 19 will not require the creation of new employee positions or the elimination of existing employee  
20 positions;
- 21 will not require an increase or decrease in future legislative appropriations to the department;
- 22 will not require an increase or decrease in fees paid to the department;
- 23 will not create new regulations;

- 1 will not expand existing regulations;
- 2 will repeal existing regulations §221.113 and §221.114;
- 3 will not increase or decrease the number of individuals subject to the rule's applicability; and
- 4 will not positively or adversely affect the Texas economy.

5 **REQUEST FOR PUBLIC COMMENT.**

6 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CDT on July 27,  
7 2020. A request for a public hearing must be sent separately from your written comments. Send written  
8 comments or hearing requests by email to *rules@txdmv.gov* or by mail to Office of General Counsel, Texas  
9 Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the  
10 department will consider written comments and public testimony presented at the hearing.

11 **STATUTORY AUTHORITY.** The department proposes amendments to §221.111 and §221.112 under  
12 Occupations Code §2301.155 and §2302.051, and Transportation Code and §1002.001.

13 Occupations Code §2301.155 authorizes the board of the Texas Department of Motor Vehicles to  
14 adopt rules as necessary or convenient to administer Occupations Code Chapter 2301 and to govern  
15 practice and procedure before the board.

16 Occupations Code §2302.051 authorizes the board to adopt rules as necessary to administer  
17 Occupations Code Chapter 2302.

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

20 **CROSS REFERENCE TO STATUTE.** Occupations Code §2302.104 and §2302.108.

21

22 **TEXT.**

23

**SUBCHAPTER B. LICENSING**



1 **43 TAC §221.15 and 221.19**

2 §221.15. Required License Application Information.

3 The following information must be provided on each salvage vehicle dealer application:

4 (1) the full legal name of the applicant;

5 ~~[(2) the endorsement or endorsements that are being applied for;]~~

6 (2) ~~[(3)]~~ the full business address, including number, street, municipality, county, and zip  
7 code for each location where the applicant will conduct business under the license if each location is in  
8 the same county;

9 (3) ~~[(4)]~~ the business telephone number and email address;

10 (4) ~~[(5)]~~ the mailing address;

11 (5) ~~[(6)]~~ a statement acknowledging that the department will consider the applicant's  
12 designated mailing address the applicant's last known address for ~~[all]~~ department communication,  
13 including service of process under Subchapter E of this chapter (relating to Administrative Procedures).  
14 The designated mailing address will be considered applicant's last known address until such time that the  
15 mailing address is changed in the licensing records of the department after the license holder submits an  
16 amendment to change the license holder's mailing address;

17 (6) ~~[(7)]~~ all assumed names as registered with the secretary of state or county clerk, as  
18 applicable;

19 (7) ~~[(8)]~~ if applying as a sole proprietor, the social security number, address and telephone  
20 number for the sole proprietor;

21 (8) ~~[(9)]~~ if applying as a general partnership, the social security number, address and  
22 telephone number for each of the general partners;

23 (9) ~~[(10)]~~ if applying as a limited partnership, limited liability company, or corporation, the

1 full name, social security number, address and telephone number for each officer or director of the  
2 corporation, each member, officer, or manager of the limited liability company, each partner, and each  
3 officer of the limited partnership, including the information for the general partner based on the type of  
4 entity [~~or limited liability company~~];

5 (10) [(11)] the state sales tax number;

6 (11) [(12)] the National Motor Vehicle Title Information System (NMVTIS) number  
7 evidencing that the applicant is registered with NMVTIS;

8 (12) [(13)] a statement indicating whether the applicant or any person described in §211.2  
9 has previously applied for a license under this chapter or the salvage vehicle dealer licensing laws of  
10 another jurisdiction, the result of the previous application, and whether the applicant, including a person  
11 described in §211.2 of this Chapter, has ever been the holder of a license issued by the department or  
12 another jurisdiction that was revoked, suspended, or subject of an order issued by the board or by another  
13 jurisdiction to pay an administrative penalty that remains unpaid;

14 (13) [(14)] a statement indicating whether the applicant has an ownership, organizational,  
15 affiliation, or other business arrangement that would allow a person to direct the management, policies,  
16 or activities of an applicant or license holder, whether directly or indirectly, who [is owned, operated,  
17 managed, or otherwise controlled by or affiliated with a person, including a family member, corporate  
18 officer, entity or shareholder that] was the holder of a license issued by the department or by another  
19 jurisdiction that was revoked, suspended, or subject of an order issued by the board or by another  
20 jurisdiction to pay an administrative penalty that remains unpaid;

21 (14) [(15)] details of the criminal history of the applicant and any person described in  
22 §211.2 of this Chapter [~~a statement indicating whether the applicant, any owner, corporate officer,~~  
23 ~~partner or director has ever been convicted of a felony, and, if so, whether it has been at least three years~~

1 since the termination of the sentence, parole, mandatory supervision, or probation for the felony  
2 conviction]; F

3 (15) details of the professional information of the applicant and any person described in  
4 §211.2 of this Chapter;

5 (16) a statement that the applicant at the time of submitting the application is in  
6 compliance, and, after issuance of a license, will remain in compliance, with all ordinances and rules of  
7 the municipality or county of each location where the applicant will conduct business; and

8 (17) an acknowledgement that the applicant understands, ~~and~~ is, and will remain in  
9 compliance with all state and federal laws relating to the licensed activity.

10  
11 §221.19. Change of License Holder's Name, ~~or~~ Ownership, or Control.

12 (a) A license holder shall notify the department to amend its license within 30 ~~10~~ days of a  
13 change in the license holder's business name. Upon submission of an amendment to change the business  
14 name, the department shall reflect the new business name in the department's records. The dealer shall  
15 retain the same salvage vehicle dealer license number except if the business name change is the result of  
16 a change in the type of entity being licensed, such as a sole proprietorship becoming a corporation, or if  
17 the ownership of the business changes as discussed in subsection (b) ~~((c))~~ of this section.

18 (b) A salvage vehicle dealer shall notify the department by submitting a request for license  
19 amendment within 30 ~~10~~ days of ~~of~~ ~~prior to~~ a change to ~~of~~:

20 (1) the entity type of the applicant or license holder;

21 (2) the departure or addition of any person reported to the department in the original  
22 license application or most recent renewal application, including any person described in §211.2 of this  
23 Chapter;

1           ~~(3) an ownership, organizational, managerial, or other business arrangement that would~~  
2 ~~allow the power to direct or cause the direction of the management and policies and activities of an~~  
3 ~~applicant or license holder, whether directly or indirectly, to be established in or with a person not~~  
4 ~~described in paragraph (1) or (2) of this subsection [of ownership].~~

5           (c) The license-holder must submit to the department a notice of change and all information  
6 needed for that specific license modification.

7           ~~[Upon notification of a change of more than 50% of the ownership, the department shall:~~

8                     ~~(1) cancel the existing license; and any salvage dealer agent licenses authorized by the~~  
9 ~~salvage vehicle dealer; and~~

10                    ~~(2) require that an original application and required fees be submitted by the new~~  
11 ~~owner(s). Any of the new owners' salvage vehicle agents must also apply for a new license and submit the~~  
12 ~~applicable fees.]~~

#### SUBCHAPTER F. ADMINISTRATIVE SANCTIONS

##### 43 TAC §§ 221.111 AND 221.112

16 §221.111. Denial of License.

17           (a) The board or department may [shall] deny an application for [issuance of] a license or a  
18 renewal of a license under Occupations Code Chapter 53 or Chapter 2302, and §211.3 of this title (relating  
19 to Criminal Offense Guidelines) or this chapter [salvage vehicle dealer license or a salvage vehicle agent  
20 license], if:

21                     (1) all the information required on the application is not complete;

22                     (2) the applicant or any owner, officer, director, or other person described in §211.2 of  
23 this title (relating to Application of Subchapter) [of its owners, officers, or directors] made a false

1 statement, ~~or~~ material misrepresentation, or a material omission, on the application to issue, renew, or  
2 amend a license;

3 (3) the applicant, or any owner, officer, director, or other person described in §211.2 of  
4 this Chapter, has been [of its owners, officers, or directors have been] convicted, or deemed convicted by  
5 any local, state, federal, or foreign authority, of an offense that directly relates to the duties or  
6 responsibilities of the licensed occupation as described in §211.3 of this title or is convicted of an offense  
7 that that is independently disqualifying under Occupations Code §53.021 [of a felony for which less than  
8 three (3) years have elapsed since the termination of the sentence, parole, mandatory supervision, or  
9 probation];

10 (4) the applicant's or any owner's, officer's, director's, or other person described in §211.2  
11 of this Chapter, [of its owners', officers', or directors'] previous [salvage vehicle dealer or salvage vehicle  
12 agent] license was revoked [and the first anniversary of the date of revocation has not occurred];

13 (5) the applicant or license holder has an ownership, organizational, managerial, or other  
14 business arrangement that would allow a person the power to direct, management, policies, or activities,  
15 of the applicant or license holder, whether directly or indirectly, who is unfit, ineligible for license, or has  
16 been subject to disciplinary action, including suspension, revocation, denial, corrective action, cease and  
17 desist order, or assessment of a civil penalty, administrative fine, or similar assessment for a current or  
18 previous license, permit, or other authorization issued by any local, state, or federal regulatory authority  
19 [is an immediate family member, such as a spouse, child, parent, grandparent, niece, nephew, uncle, or  
20 aunt, of a previously licensed salvage vehicle dealer whose license has been revoked, and the business  
21 location is the same as the location of the revoked salvage vehicle dealer]; or

22 (6) the applicant, or any owner, officer, or director, or other person described in §211.2  
23 of this Chapter is unfit to hold the license, is ineligible for licensure, or whose current or previous license,

1 permit, or other authorization issued by any local, state, or federal regulatory authority has been subject  
2 to disciplinary action, including suspension, revocation, denial, corrective action, cease and desist order,  
3 or assessment of a civil penalty, administrative fine, fee, or similar assessment. [~~is delinquent in any court~~  
4 ~~ordered obligation to pay child support.~~]

5 (b) If the department denies an application for a license to be issued under the authority of  
6 Occupations Code Chapter 2302 [~~application is denied~~], the applicant may request an administrative  
7 hearing in the manner specified in §221.91 of this title (relating to Notice of Department Decision).

8 (c) In accordance with Occupations Code §2302.108, the board or department shall reject any  
9 application for issuance of a new license under Occupations Code Chapter 2302 filed by a person whose  
10 license is revoked before the first anniversary of the date of revocation.

11

12 §221.112. Suspension, Revocation and Administrative Penalties.

13 The board or department may suspend or revoke a license or impose an administrative penalty if the  
14 license holder:

15 (1) fails to meet or maintain the qualifications and requirements for a license;

16 (2) violates any law relating to the purchase, sale, exchange, storage, or distribution of  
17 motor vehicles, including salvage motor vehicles and nonrepairable [~~and non-repairable~~] motor vehicles;

18 (3) willfully [~~wilfully~~] defrauds a purchaser;

19 (4) fails to maintain purchase, sales, and inventory records as required by Occupations  
20 Code, Chapter 2302, or this chapter;

21 (5) refuses to permit, or fails to comply with a request by the department to examine,  
22 during normal business hours, the license holder's records as required by Occupations Code, Chapter  
23 2302, or this chapter;

1 (6) engages in motor vehicle or salvage business without the required license  
2 [endorsement];

3 (7) engages in business as a salvage vehicle dealer at a location for which a license has not  
4 been issued by the department;

5 (8) fails to notify the department of a change of the salvage vehicle dealer's legal business  
6 entity name, assumed name, mailing address, email address, physical address or location within 30 [10]  
7 days of such change by submitting [requesting and obtaining from the department] an amendment to the  
8 [salvage vehicle dealer's] license;

9 (9) fails to notify the department of a change described in §221.19(b) of this chapter  
10 (relating to Change of License Holder's Name, Ownership, or Control) as required in that section [of the  
11 salvage vehicle dealer's name or salvage vehicle dealer's ownership within 10 days of such change by  
12 requesting and obtaining from the department an amendment to the salvage vehicle dealer's license];

13 (10) [fails to notify the department of the termination of a salvage vehicle agent within  
14 10 days after such termination];

15 [(11)] fails to remain regularly and actively engaged in the business for which the salvage  
16 vehicle dealer license is issued;

17 (11) [(12)] sells more than five (5) nonrepairable [non-repairable] motor vehicles or  
18 salvage motor vehicles to the same person in a casual sale during a calendar year;

19 (12) [(13)] violates any [of the] provision of Occupations Code Chapters 2301 or [, Chapter]  
20 2302, Transportation Code[,], Chapters 501, 502, or 503, or any board rule or order promulgated under  
21 those statutes;

22 (13) [(14)] uses or allows use of the salvage vehicle dealer's [or salvage vehicle agent's]  
23 license or business location for the purpose of avoiding the requirements of [the license holder or another

1 ~~person avoiding~~ Occupations Code Chapters 2301 or [Chapter] 2302, Transportation Code, Chapters  
2 501, 502 or 503, or any board rule or order promulgated under those statutes;

3 (14) [(15)] violates any law, ordinance, rule or regulation governing the purchase, sale,  
4 exchange, or storage, of salvage motor vehicles or nonrepairable [and non-repairable] motor vehicles;

5 (15) [(16)] sells or offers for sale a nonrepairable [non-repairable] motor vehicle [vehicles]  
6 or a salvage motor vehicle [vehicles] from any location other than the [a licensed] salvage vehicle dealer's  
7 licensed business location ~~[that has been approved by the department];~~

8 (16) [(17)] is, or any owner, officer, director, or other person described in §211.2, is  
9 convicted, or deemed convicted by any local, state, federal, or foreign authority, of an offense that directly  
10 relates to the duties or responsibilities of the licensed occupation as described in §211.3 of this title  
11 (relating to Criminal Offense Guidelines) or an offense that that is independently disqualifying under  
12 Occupations Code §53.021 [of any a felony] after initial issuance or renewal of the salvage vehicle dealer  
13 license, or that has not been reported to the department as required [or salvage vehicle agent license, or  
14 less than three (3) years have elapsed since the termination of the sentence, parole, mandatory  
15 supervision, or probation for a felony conviction of the license holder];

16 (17) [(18)] makes a false statement, material misrepresentation, or material omission in  
17 any application or other information filed with the department;

18 (18) [(19)] fails to timely remit payment for administrative penalties imposed by the  
19 department ~~[under Occupations Code, §2302.354 and this section];~~

20 (19) [(20)] engages in business without a license required under Occupations Code[,]  
21 Chapters 2301 or 2302, or Transportation Code[,] Chapter 503;

22 (20) [(21)] operates a salvage motor vehicle or a nonrepairable [non-repairable] motor  
23 vehicle on the public highways or allows another person to operate a salvage motor vehicle or a



1 nonrepairable [~~non-repairable~~] motor vehicle on public highways;  
2 (21) [(22)] dismantles a salvage motor vehicle or non-repairable motor vehicle; or  
3 (22) [(23)] deals in used automotive parts as more than an incidental part of the salvage  
4 vehicle dealer's primary business.

6 **REPEAL OF**

7 **SUBCHAPTER F. ADMINISTRATIVE SANCTIONS**

8 **43 TAC §221.113 AND §221.114**

9 [~~§221.113. Suspension or Refusal to Renew Due to Failure to Pay Court-ordered Child Support.~~]

10 [(a) On receipt of a final order suspending a license, issued under Family Code, §232.008, the  
11 department will suspend or refuse to renew a salvage vehicle dealer's or salvage vehicle agent's license  
12 issued under this chapter.]

13 [(b) The department will charge an administrative fee of \$10 to reinstate the salvage vehicle  
14 dealer's or salvage vehicle agent's license who was the subject of an order suspending the license under  
15 this section.]

17 [~~§221.114. Re-application after Revocation of License.~~]

18 [A person whose license is revoked may not apply for a new license before the first anniversary  
19 of the date of the revocation.]

20 **CERTIFICATION.** The agency certifies that legal counsel has reviewed the proposal and found it to be  
21 within the state agency's legal authority to adopt.

22 Issued at Austin, Texas, on June 15, 2020.

23 /s/ Tracey Beaver  
24 Tracey Beaver, General Counsel