

1 Nonsubstantive changes include amending subsection (e) to delete an unnecessary duplicative
2 provision, substituting “notice for determination” for “rejection letter,” to better align with current
3 department terminology and practices.

4 Additionally, the rules are being reviewed in compliance with Texas Government Code §2001.039
5 which requires agencies to review rules every four years and readopt, readopt with amendments, or
6 repeal.

7 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,
8 has determined that for each year of the first five years the amendments will be in effect, there will be no
9 fiscal impact to state or local governments as a result of the enforcement or administration of the
10 proposal.

11 Roland Luna, Sr., Director of the Vehicle Titles and Registration Division, has determined that there will
12 be no measurable effect on local employment or the local economy as a result of the proposal.

13 **PUBLIC BENEFIT AND COST NOTE.** Mr. Luna, Sr. has also determined that, for each year of the first five
14 years amended section is in effect, there are several public benefits anticipated because persons may
15 utilize additional resources to determine the value of a motor vehicle more accurately for purposes of
16 applying for a bond.

17 Anticipated Public Benefits. The public benefits anticipated as a result of the proposal include
18 clarifying the resources available for a person to use in determining value of a motor vehicle for purposes
19 of applying for a bond.

20 Anticipated Costs To Comply With The Proposal. Mr. Luna, Sr. anticipates that there will be no
21 costs to comply with these rules.

22 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by Government
23 Code, §2006.002, the department has determined that the proposed amendments will not have an

1 adverse economic effect on small businesses, micro-businesses, or rural communities. Therefore, the
2 department is not required to prepare a regulatory flexibility analysis under Government Code,
3 §2006.002.

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

8 **GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the
9 first five years the proposed amendments are in effect, no government program would be created or
10 eliminated. Implementation of the proposed amendments would not require the creation of new
11 employee positions or elimination of existing employee positions. Implementation would not require an
12 increase or decrease in future legislative appropriations to the department or an increase or decrease of
13 fees paid to the department. The proposed amendments do not create a new regulation, expand, limit,
14 or repeal an existing regulation. Lastly, the proposed amendments do not affect the number of individuals
15 subject to the rule's applicability and will not affect this state's economy.

16 **REQUEST FOR PUBLIC COMMENT.**

17 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on March 28,
18 2022. A request for a public hearing must be sent separately from your written comments. Send written
19 comments or hearing requests by email to *rules@txdmv.gov* or by mail to Office of General Counsel, Texas
20 Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the
21 department will consider written comments and public testimony presented at the hearing.

1 **STATUTORY AUTHORITY.** The department proposes amendments to §§223.1 - 223.3 under
2 Transportation Code §1002.001, which authorizes the board to adopt rules that are necessary and
3 appropriate to implement the powers and the duties of the department.

4 **CROSS REFERENCE TO STATUTE.** Transportation Code §501.053.

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6 **TEXT.**

7 **SUBCHAPTER A. MOTOR VEHICLE TITLES**

8 **43 TAC §217.9**

9 §217.9. Bonded Titles

10 (a) Who may file. A person who has an interest in a motor vehicle to which the department has refused
11 to issue a title or has suspended or revoked a title may request issuance of a title from the department
12 on a prescribed form if the vehicle is in the possession of the applicant; and

13 (1) there is a record that indicates a lien that is less than ten years old and the surety bonding
14 company ensures lien satisfaction or release of lien;

15 (2) there is a record that indicates there is not a lien or the lien is ten or more years old; or

16 (3) the department has no previous motor vehicle record.

17 (b) Administrative fee. The applicant must pay the department a \$15 administrative fee in addition to any
18 other required fees.

19 (c) Value. The amount of the bond must be equal to one and one-half times the value of the vehicle as
20 determined under Tax Code §152.0412 regarding [using the] Standard Presumptive Value (SPV) [from the
21 department's Internet website]. If the SPV is not available, then a national reference guide will be used. If
22 the value cannot be determined by the department through either source, then the person may obtain

1 an appraisal. If a motor vehicle is 25 years or older, a person may obtain an appraisal to determine the
2 value instead of using a national reference guide.

3 (1) The appraisal must be on a form specified by the department from a Texas licensed motor
4 vehicle dealer for the categories of motor vehicles that the dealer is licensed to sell or a Texas licensed
5 insurance adjuster who may appraise any type of motor vehicle.

6 (2) The appraisal must be dated and be submitted to the department within 30 days of the
7 appraisal.

8 (3) If the motor vehicle 25 years or older and the appraised value of the vehicle is less than \$4,000,
9 the bond amount will be established from a value of \$4,000.

10 (4) If the motor vehicle is a trailer or semi-trailer, the person may, as an alternative to an appraisal,
11 have the bond amount established from a value of:

12 (A) \$4,000, if under 20 feet in length, or

13 (B) \$7,000, if 20 or more feet in length.

14 (d) Vehicle identification number inspection. If the department has no motor vehicle record for the
15 vehicle, the vehicle identification number must be verified by an inspection under Transportation Code
16 §501.0321 [a Texas licensed Safety Inspection Station or a law enforcement officer who holds an auto
17 theft certification].

18 (e) Required documentation. An applicant may apply for a bonded title if the applicant submits:

19 ~~[(1) verification of the vehicle identification number on a form specified by the department;]~~

20 (1) ~~[(2)]~~ any evidence of ownership;

21 (2) ~~[(3)]~~ the original bond within 30 days of issuance;

22 (3) ~~[(4)]~~ the notice of determination [rejection letter] within one year of issuance and the receipt
23 for \$15 paid to the department;

1 (4) [(5)] the documentation determining the value of the vehicle;
2 (5) [(6)] proof of the vehicle identification number inspection, as described in subsection (d) of
3 this section, if the department has no motor vehicle record for the vehicle;
4 [(7) a weight certificate if there is no title or the vehicle is an out-of-state commercial vehicle;]
5 (6) [(8)] a certification of lien satisfaction by the surety bonding company, or a release of lien, if
6 the notice of determination [rejection] letter states that there may be a lien less than ten years old; and
7 (7) [(9)] any other required documentation and fees.

8 (f) Report of Judgment. The bond must require that the surety report payment of any judgment to the
9 department within 30 days.

10 **CERTIFICATION.** The agency certifies that legal counsel has reviewed the proposal and found it to be
11 within the state agency’s legal authority to adopt.

12 Issued at Austin, Texas, on February 25, 2022

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/s/ _____ Aline Aucoin _____
Aline Aucoin, General Counsel