1 ADOPTION OF REVISIONS TO

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

3 43 TAC §217.56

INTRODUCTION. The Texas Department of Motor Vehicles (department) adopts amendments to 43 Texas Administrative Code (TAC) §217.56 regarding vehicle registration reciprocity agreements. The department adopts amendments to §217.56 with changes to the proposed text as published in the December 29, 2023, issue of the *Texas Register* (48 TexReg 8262). The rule will be republished.

The department adopts §217.56 with nonsubstantive changes. The department replaced the word "edition" with "version" in §217.56(c)(2)(B) to reference the International Registration Plan (IRP) and the IRP Audit Procedures Manual to be consistent with the terminology on the IRP website. Also, the department changed the order of the citations to adopted new Chapter 224 of this title (relating to Adjudicative Practice and Procedure) and Transportation Code, Chapter 502 in §217.56(c)(2)(J)(iii) for clarity.

The adopted amendments incorporate by reference the January 1, 2022, version of the IRP, clarify language, make the terminology consistent with other department rules, delete certain language regarding the process for an appeal under §217.56, and refer to adopted new Chapter 224 of this title for an appeal of the department's decision against a vehicle registrant regarding an assessment, cancellation, or revocation under §217.56. In this issue of the *Texas Register*, the department adopts new Chapter 224, which includes all department adjudicative practice and procedure rules.

REASONED JUSTIFICATION. An adopted amendment to §217.56(c)(2)(B) incorporates by reference the January 1, 2022, version of IRP. Texas is bound by IRP, which is a vehicle registration reciprocity agreement between the 48 contiguous states, the District of Columbia, and the Canadian provinces. Section 217.56 must incorporate IRP because it contains language regarding the nature and requirements of vehicle

registration under IRP. Also, Government Code, §2001.004(1) requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures. In addition, Texas is a member of IRP, as authorized by Transportation Code, §502.091 and 49 U.S.C. §31704, and must comply with IRP. The jurisdictions that are members of IRP amended the January 1, 2021, version of IRP as follows to create the January 1, 2022, version: added Section 601 (Uploading Data to the Repository), amended Section 1505 (Amendment Introduction Process), amended Section 1515 (Ballot Process), and amended Section 1520 (Effective Date of Plan Amendments).

An adopted amendment to §217.56(c)(2)(J) replaces the catch line for subparagraph (J) to provide a better description of the contents of subparagraph (J). The adopted amendment to §217.56(c)(2)(J)(iii) changes the word "ruling" to "decision" to be consistent with other department rules. An adopted amendment to §217.56(c)(2)(J)(iii) references adopted new §224.122 of this title (relating to Appeal of Decision Regarding Assessment, Cancellation, or Revocation Under §217.56), which prescribes the requirements for a vehicle registrant that wants to appeal a decision against the registrant under subparagraph (J) of an assessment (a financial penalty under §217.56(c)(2)(G)) or a cancellation or revocation of the registrant's apportioned registration under IRP. An adopted amendment to §217.56(c)(2)(J)(iii) states that an appeal will be governed by adopted new Chapter 224 of this title (relating to Adjudicative Practice and Procedure) and Transportation Code, Chapter 502. In addition, adopted amendments to §217.56(c)(2)(J)(iii) delete language regarding the prior procedure for an appeal under subparagraph (J), including the procedure under prior Chapter 206, Subchapter D of this title (relating to Procedures in Contested Cases). In this issue of the *Texas Register*, the department adopts amendments that repeal Subchapter D of Chapter 206 and replace it with provisions in adopted new Chapter 224.

SUMMARY OF COMMENTS.

No comments on the proposed amendments were received.

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SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

Page 3 of 11

4 43 TAC §217.56

STATUTORY AUTHORITY. The department adopts amendments to §217.56 under Transportation Code, §502.091(b), which authorizes the department to adopt and enforce rules to carry out IRP; Transportation Code, §502.0021, which authorizes the department to adopt rules to administer Transportation Code, Chapter 502; Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and duties of the department; Government Code, §2001.004, which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; Government Code, §2001.054, which specifies the requirements regarding the grant, denial, renewal, revocation, suspension, annulment, or withdrawal of a license; and the statutory authority referenced throughout this preamble and in the rule text, which is incorporated herein by reference.

CROSS REFERENCE TO STATUTE. These amendments implement Transportation Code, Chapter 502, and Government Code, Chapter 2001.

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Text.

19 §217.56. Registration Reciprocity Agreements.

> (a) Purpose. To promote and encourage the fullest possible use of the highway system and contribute to the economic development and growth of the State of Texas and its residents, the department is authorized by Transportation Code, §502.091 to enter into agreements with duly authorized officials of other jurisdictions, including any state of the United States, the District of

Columbia, a foreign country, a state or province of a foreign country, or a territory or possession of
either the United States or of a foreign country, and to provide for the registration of vehicles by Texas
residents and nonresidents on an allocation or distance apportionment basis, and to grant exemptions
from the payment of registration fees by nonresidents if the grants are reciprocal to Texas residents.
(b) Definitions. The following words and terms, when used in this section, shall have the
following meanings, unless the context clearly indicates otherwise:
(1) Cab cardThe 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) DepartmentThe Texas Department of Motor Vehicles.
(3) DirectorThe director of the Motor Carrier Division, Texas Department of Motor
Vehicles.
(4) Executive directorThe chief executive officer of the department.
(5) Regional Service CenterA 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 cardA 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.

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(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 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, 2022, version of the IRP. The department also adopts by reference the January 1, 2016, version 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.

1	(D) Fees. Upon receipt of the applicable fees in the form as provided by §209.23
2	of this title (relating to Methods of Payment), the department will issue one or two license plates and a
3	cab card for each vehicle registered.
4	(E) Display of License Plates and Cab Cards.
5	(i) The department will issue one license plate for a tractor, truck-
6	tractor, trailer, and semitrailer. The license plate issued to a tractor or a truck-tractor shall be installed
7	on the front of the tractor or truck-tractor, and the license plate issued for a trailer or semitrailer shall
8	be installed on the rear of the trailer or semitrailer.
9	(ii) The department will issue two license plates for all other vehicles
10	that are eligible to receive license plates under the IRP. Once the department issues two license plates
11	for a vehicle listed in this clause, one plate shall be installed on the front of the vehicle, and one plate
12	shall be installed on the rear of the vehicle.
13	(iii) The cab card shall be carried at all times in the vehicle in accordance
14	with the IRP. If the registrant chooses to display an electronic image of the cab card on a wireless
15	communication device or other electronic device, such display does not constitute consent for a peace
16	officer, or any other person, to access the contents of the device other than the electronic image of the
17	cab card.
18	(iv) The authority to display an electronic image of the cab card on a
19	wireless communication device or other electronic device does not prevent the Texas State Office of
20	Administrative Hearings or a court of competent jurisdiction from requiring the registrant to provide a
21	paper copy of the cab card in connection with a hearing, trial, or discovery proceeding.
22	(F) Audit. An audit of the registrant's vehicle operational records may be
23	conducted by the department according to the IRP provisions and the IRP Audit Procedures Manual.

the following:

1 Upon request, the registrant shall provide the operational records of each vehicle for audit in unit 2 number order, in sequence by date, and including, but not limited to, a summary of distance traveled by 3 each individual vehicle on a monthly, quarterly, and annual basis with distance totaled separately for 4 each jurisdiction in which the vehicle traveled. 5 (G) Assessment. The department may assess additional registration fees of up to 6 100% of the apportionable fees paid by the registrant for the registration of its fleet in the registration 7 year to which the records pertain, as authorized by the IRP, if an audit conducted under subparagraph 8 (F) of this paragraph reveals that: 9 (i) the operational records indicate that the vehicle did not generate 10 interstate distance in two or more member jurisdictions for the distance reporting period supporting the 11 application being audited, plus the six-month period immediately following that distance reporting 12 period; 13 (ii) the registrant failed to provide complete operational records; or 14 (iii) the distance must be adjusted, and the adjustment results in a 15 shortage of registration fees due Texas or any other IRP jurisdiction. 16 (H) Refunds. If an audit conducted under subparagraph (F) of this paragraph 17 reveals an overpayment of fees to Texas or any other IRP jurisdiction, the department will refund the 18 overpayment of registration fees in accordance with Transportation Code, §502.195 and the IRP. Any 19 registration fees refunded to a carrier for another jurisdiction will be deducted from registration fees 20 collected and transmitted to that jurisdiction. 21 (I) Cancellation or revocation. The director or the director's designee may cancel 22 or revoke a registrant's apportioned registration and all privileges provided by the IRP as authorized by

1 (i) the IRP; or

2 (ii) Transportation Code, Chapter 502.

(J) Procedures for assessment, cancellation, or revocation.

(i) Notice. If a registrant is assessed additional registration fees, as provided in subparagraph (G) of this paragraph, and the additional fees are not paid by the due date provided in the notice or it is determined that a registrant's apportioned license plates and privileges should be canceled or revoked, as provided in subparagraph (I) of this paragraph, the director or the director's designee will mail a notice by certified mail to the last known address of the registrant. The notice will state the facts underlying the assessment, cancellation, or revocation; the effective date of the assessment, cancellation, or revocation; and the right of the registrant to request a conference as provided in clause (ii) of this subparagraph.

(ii) Conference. A registrant may request a conference upon receipt of a notice issued as provided by clause (i) of this subparagraph. The request must be made in writing to the director or the director's designee within 30 days of the date of the notice. If timely requested, the conference will be scheduled and conducted by the director or the director's designee at division headquarters in Austin and will serve to abate the assessment, cancellation, or revocation unless and until that assessment, cancellation, or revocation is affirmed or disaffirmed by the director or the director's designee. In the event matters are resolved in the registrant's favor, the director or the director's designee will mail the registrant a notice of withdrawal, notifying the registrant that the assessment, cancellation, or revocation is withdrawn, and stating the basis for that action. In the event matters are not resolved in the registrant's favor, the director or the director's designee will issue a decision reaffirming the department's assessment of additional registration fees or cancellation or

1 revocation of apportioned license plates and privileges. The registrant has the right to appeal in 2 accordance with clause (iii) of this subparagraph. 3 (iii) Appeal. If a conference held in accordance with clause (ii) of this 4 subparagraph fails to resolve matters in the registrant's favor, the registrant may submit an appeal 5 under §224.122 of this title (relating to Appeal of Decision Regarding Assessment, Cancellation, or 6 Revocation Under §217.56). An appeal will be governed by Chapter 224 of this title (relating to 7 Adjudicative Practice and Procedure) and Transportation Code, Chapter 502. 8 (K) Reinstatement. 9 (i) The director or the director's designee will reinstate apportioned 10 registration to a previously canceled or revoked registrant if all applicable fees and assessments due on 11 the previously canceled or revoked apportioned account have been paid and the applicant provides 12 proof of an acceptable recordkeeping system for a period of no less than 60 days. 13 (ii) The application for the following registration year will be processed 14 in accordance with the provisions of the IRP. 15 (L) Denial of apportioned registration for safety reasons. The department will 16 comply with the requirements of the Performance and Registration Information Systems Management 17 program (PRISM) administered by the Federal Motor Carrier Safety Administration (FMCSA). 18 (i) Denial or suspension of apportioned registration. Upon notification 19 from the FMCSA that a carrier has been placed out of service for safety violations, the department will: 20 (I) deny initial issuance of apportioned registration; 21 (II) deny authorization for a temporary cab card, as provided for 22 in subparagraph (M) of this paragraph; 23 (III) deny renewal of apportioned registration; or

1	(IV) suspend current apportioned registration.
2	(ii) Issuance after denial of registration or reinstatement of suspended
3	registration. The director or the director's designee will reinstate or accept an initial or renewal
4	application for apportioned registration from a registrant who was suspended or denied registration
5	under clause (i) of this subparagraph upon presentation of a Certificate of Compliance from FMCSA, in
6	addition to all other required documentation and payment of fees.
7	(M) Temporary cab card.
8	(i) Application. The department may authorize issuance of a temporary
9	cab card to a motor carrier with an established Texas apportioned account for a vehicle upon proper
10	submission of all required documentation, a completed application, and all fees for either:
11	(I) Texas title as prescribed by Transportation Code, Chapter 501
12	and Subchapter A of this chapter (relating to Motor Vehicle Titles); or
13	(II) registration receipt to evidence title for registration
14	purposes only (Registration Purposes Only) as provided for in Transportation Code, §501.029 and
15	§217.24 of this title (relating to Vehicle Last Registered in Another Jurisdiction).
16	(ii) Title application. A registrant who is applying for a Texas title as
17	provided for in clause (i)(I) of this subparagraph and is requesting authorization for a temporary cab
18	card, must submit to a Regional Service Center a photocopy of the title application receipt issued by the
19	county tax assessor-collector's office.
20	(iii) Registration Purposes Only. A registrant who is applying for
21	Registration Purposes Only under clause (i)(II) of this subparagraph and is requesting authorization for a
22	temporary cab card, must submit an application and all additional original documents or copies of
23	original documents required by the director to a Regional Service Center.

1	(iv) Department approval. On department approval of the submitted
2	documents, the department will send notice to the registrant to finalize the transaction and make
3	payment of applicable registration fees.
4	(v) Finalization and payment of fees. To finalize the transaction and
5	print the temporary cab card, the registrant may compute the registration fees through the
6	department's apportioned registration software application, TxIRP system, and:
7	(I) make payment of the applicable registration fees to the
8	department as provided by §209.23 of this title; and
9	(II) afterwards, mail or deliver payment of the title application
10	fee in the form of a check, certified cashier's check, or money order payable to the county tax assessor-
11	collector in the registrant's county of residency and originals of all copied documents previously
12	submitted.
13	(vi) Deadline. The original documents and payment must be received by
14	the Regional Service Center within 72-hours after the time that the office notified the registrant of the
15	approval to print a temporary cab card as provided in clause (iv) of this subparagraph.
16	(vii) Failure to meet deadline. If the registrant fails to submit the original
17	documents and required payment within the time prescribed by clause (vi) of this subparagraph, the
18	registrant's privilege to use this expedited process to obtain a temporary cab card will be denied by the
19	department for a period of six months from the date of approval to print the temporary cab card.
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