

1 to include whether a licensed salvage vehicle dealer has failed to remove a license plate or registration
2 insignia from a scrapped or destroyed vehicle; failed to timely or accurately report to the department or
3 enter information about a license plate from a scrapped or destroyed vehicle into the system designated
4 by the department; or failed to scrap or destroy void license plates and registration insignias from a
5 scrapped or destroyed vehicle. These proposed amendments will ensure that violations of the statutes
6 and rules relating to license plates are factors that the department considers when deciding the priority
7 of conducting a site visit to a salvage vehicle dealer.

8 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,
9 has determined that for each year of the first five years the amendments will be in effect, there will be no
10 fiscal impact to state or local governments as a result of the enforcement or administration of the
11 proposal. Corrie Thompson, Director of Enforcement (ENF), has determined that there will be no
12 measurable effect on local employment or the local economy as a result of the proposal.

13 **PUBLIC BENEFIT AND COST NOTE.** Ms. Thompson has also determined that, for each year of the first five
14 years the amended section is in effect, there is a public benefit anticipated because adding license plate-
15 related site visit criteria will enable the department to prioritize the investigation of license plate misuse
16 and fraud which may prevent public harm from these license plates being used to facilitate crimes.

17 Anticipated Costs To Comply With The Proposal. Ms. Thompson anticipates that there will be no
18 costs to comply with these rules because the amendments do not establish any additional requirements
19 on regulated persons.

20 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by the
21 Government Code, §2006.002, the department has determined that the proposed amendments will not
22 have an adverse economic effect on small businesses, micro-businesses, and rural communities because
23 the proposed amendments add criteria for the department to use and do not add new requirements on,

1 or directly affect, small businesses, micro-businesses, or rural communities. The proposed amendments
2 do not require small business, micro-businesses, or rural communities to comply. Therefore, the
3 department is not required to prepare a regulatory flexibility analysis under Government Code,
4 §2006.002.

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

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

19 **REQUEST FOR PUBLIC COMMENT.** If you want to comment on the proposal, submit your written
20 comments by 5:00 p.m. CDT on August 12, 2024. A request for a public hearing must be sent separately
21 from your written comments. Send written comments or hearing requests by email to rules@txdmv.gov
22 or by mail to Office of General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue,

1 Austin, Texas 78731. If a hearing is held, the department will consider written comments and public
2 testimony presented at the hearing.

3 **STATUTORY AUTHORITY.** In addition to the rulemaking authority provided in Section 34 of HB 718, the
4 department proposes amendments to Chapter 221 under Occupations Code, Chapter 2302, and
5 Occupations Code, §2302.051, which authorize the board to adopt rules as necessary to administer
6 Occupations Code, Chapter 2302; Transportation Code, §502.0021 which authorizes the department to
7 adopt rules to administer Transportation Code, Chapter 502; Transportation Code, §503.002, which
8 authorizes the department to adopt rules to administer Transportation Code, Chapter 503; Transportation
9 Code, §503.063(d), as amended by HB 718, which gives the department authority to conduct a review of
10 the dealer's compliance with statutory obligation to ensure safekeeping of license plates; Transportation
11 Code, §504.0011, which allows the board to adopt rules to implement and administer Chapter 504;
12 Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and
13 appropriate to implement the powers and the duties of the department; and Government Code,
14 §2001.004, which requires state agencies to adopt rules of practice stating the nature and requirements
15 of all available formal and informal procedures.

16 **CROSS REFERENCE TO STATUTE.** These proposed rule amendments would implement Occupations Code,
17 Chapter 2302; and Transportation Code, Chapters 501–504, and 1001 - 1003.

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19 **TEXT.**

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SUBCHAPTER C. LICENSED OPERATIONS

21

43 TAC §221.54

22 221.54. Criteria for Site Visits.

1 In determining whether to conduct a site visit at an active salvage vehicle dealer's location, the
2 department will consider whether the dealer has:

3 (1) failed to respond to a records request;

4 (2) failed to operate from the license location;

5 (3) an enforcement history that reveals failed compliance inspections or multiple
6 complaints with administrative sanctions being taken by the department;

7 (4) a business location that fails to meet premises or operating requirements under this
8 chapter; [øf]

9 (5) records that require further investigation by the department; [-]

10 (6) failed to remove a license plate or registration insignia from a scrapped or destroyed
11 vehicle;

12 (7) failed to timely or accurately report to the department or enter in the system
13 designated by the department, a void license plate from a scrapped or destroyed vehicle; or

14 (8) failed to scrap, recycle, or destroy license plates and registration insignia from a
15 scrapped or destroyed vehicle.

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