

1    **SUBCHAPTER B. MOTOR VEHICLE REGISTRATION**

2    **43 TAC §217.27**

3    **1. INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes amendments to 43  
4 TAC §217.27, concerning extended registration of a trailer, semitrailer, or pole trailer having an actual  
5 gross weight or registered gross weight of 7,500 pounds or less described by Transportation Code,  
6 §548.052(3). The amendments are necessary to implement House Bill 1262, 86th Legislature, Regular  
7 Session (2019), which added Transportation Code, §502.0024, Extended Registration of Certain Vehicles  
8 Not Subject to Inspection. House Bill 1262 requires the department to develop and implement a system  
9 of registration to allow an owner of a trailer, semitrailer, or pole trailer not subject to inspection to register  
10 the vehicle for up to five years on payment of all applicable fees.

11    **2. EXPLANATION OF PROPOSED AMENDMENTS.**

12                    The proposed amendments to §217.27, Vehicle Registration Insignia, implement House Bill 1262  
13 by authorizing a registration period of 12, 24, 36, 48, or 60 consecutive months for a trailer, semitrailer,  
14 or pole trailer not subject to inspection under Transportation Code, §548.052(3) on payment of all  
15 applicable fees for each full year of registration. An applicant for registration under proposed  
16 §217.27(c)(2)(A) must select a registration period and will pay one processing and handling fee under  
17 §217.182 for the registration transaction, regardless of the registration period selected. All other  
18 applicable fees must be paid for each year of registration. The department notes that extended  
19 registration is not authorized for farm trailers because a farm trailer is referenced in Transportation Code,  
20 §548.052(4). Additional nonsubstantive edits conform the rule text with department style and improve  
21 readability.

1 In conjunction with this rule, the department is also reconfiguring its internal systems to conform  
2 to the new requirement under House Bill 1262. Therefore, the effective date of the rule may be extended  
3 to correspond with completion of the programming necessary to fully implement the rule.

4 **3. FISCAL NOTE AND LOCAL EMPLOYEMNT IMPACT STATEMENT.** Linda M. Flores, Chief Financial Officer,  
5 has determined that for each year of the first five years the amendments will be in effect, there will be no  
6 significant fiscal impact to state or local governments as a result of the enforcement or administration of  
7 the proposal, other than any impact resulting from the statute. Jeremiah Kuntz, Director of Vehicle Titles  
8 and Registration Division, has determined that there will be no measurable effect on local employment  
9 or the local economy as a result of the proposal.

10 **4. PUBLIC BENEFIT AND COST NOTE.** Mr. Kuntz has also determined that, for each year of the first five  
11 years the amended section is in effect, the public benefits anticipated as a result of the proposal include  
12 a streamlined process for certain trailers not subject to state inspection to reduce the frequency of  
13 registration. In addition, a person registering a trailer under this section will pay the processing and  
14 handling fee required by §217.183 on the registration transaction, regardless of how many months of  
15 registration the person selects. A registration for 60 months will save four annual processing and handling  
16 fees since that person will be able to register for 60 months in one transaction. The department cannot  
17 reasonably quantify the number of extended registration transactions it will process. Allowing customers  
18 to apply for extended registration will save the customers time and money. Any change in revenue or  
19 expenditures is the result of the amended statute and not a result of the proposed rule.

20 Mr. Kuntz anticipates that there will be no costs to comply with this rule.

21 **5. ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** The department has  
22 determined there will be no impact on small businesses, micro- business, or rural communities as a result

1 of implementing this rule. Therefore, the department is not required to prepare a regulatory flexibility  
2 analysis as specified in Government Code, §2006.002.

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

7 **7. GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that during the first  
8 five years the proposed amendments are in effect, no government program would be created or  
9 eliminated. Implementation of the proposed amendments would not require the creation of new  
10 employee positions or elimination of exiting employee positions. Implementation would not require an  
11 increase or decrease in future legislative appropriations to the department. Implementation of the  
12 proposed rule may result in a decrease of fees (the processing and handling fee) paid to the department.  
13 The proposed amendments will not create a new or expand an existing regulation, but will limit an existing  
14 regulation to implement HB 1262. Additionally, the proposed amendments do not affect the number of  
15 individuals subject to the rule's applicability and will not affect this state's economy.

16 **8. REQUEST FOR PUBLIC COMMENT.**

17 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on  
18 September 30, 2019. A request for a public hearing must be sent separately from your written comments.  
19 Send written comments or hearing requests by email to [rules@txdmv.gov](mailto:rules@txdmv.gov) or by mail to Office of General  
20 Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is  
21 held, the department will consider written comments and public testimony presented at the hearing.

22 **9. STATUTORY AUTHORITY.** The amendments are proposed under Transportation Code, §1002.001,  
23 which provides the board of the Texas Department of Motor Vehicles with the authority to adopt rules

1 that are necessary and appropriate to implement the powers and the duties of the department; and more  
2 specifically, Transportation Code, §502.0021, which authorizes the department to adopt rules to  
3 administer Chapter 502. The amendments are also proposed under House Bill 1262, 86th Legislature,  
4 Regular Session (2019), Section 2, that provides that not later than February 1, 2020, the department shall  
5 adopt the system required by Transportation Code, §502.0024 and any rules necessary to implement that  
6 section.

7 **10. CROSS REFERENCE TO STATUTE.** Transportation Code, §502.0024 and §548.052.

8 **11. TEXT.**

9 **Subchapter B. Motor Vehicle Registration**

10 **43 TAC §217.27**

11 §217.27. Vehicle Registration Insignia.

12 (a) On receipt of a complete initial application for registration with the accompanying documents  
13 and fees, the department will issue vehicle registration insignia to be displayed on the vehicle for which  
14 the registration was issued for the current registration period.

15 (1) If the vehicle has a windshield, the symbol, tab, or other device prescribed by and  
16 issued by the department shall be attached to the inside lower left corner of the vehicle's front windshield  
17 in a manner that will not obstruct the vision of the driver.

18 (2) If the vehicle has no windshield, the symbol, tab, or other device prescribed by and  
19 issued by the department shall be attached to the rear license plate, except that registration receipts,  
20 retained inside the vehicle, may provide the record of registration for vehicles with permanent trailer  
21 plates.

1 (3) If the vehicle is registered as a former military vehicle as prescribed by Transportation  
2 Code, §504.502, the vehicle's registration number shall be displayed instead of displaying a symbol, tab,  
3 or license plate.

4 (A) Former military vehicle registration numbers shall be displayed on a  
5 prominent location on the vehicle in numbers and letters of at least two inches in height.

6 (B) To the extent possible, the location and design of the former military vehicle  
7 registration number must conform to the vehicle's original military registration number.

8 (b) Unless otherwise prescribed by law, each vehicle registered under this subchapter:

9 (1) must display two license plates, one at the exterior front and one at the exterior rear  
10 of the vehicle that are securely fastened at the exterior front and rear of the vehicle in a horizontal position  
11 of not less than 12 inches from the ground, measuring from the bottom, except that a vehicle described  
12 by Transportation Code, §621.2061 may place the rear plate so that it is clearly visible; or

13 (2) must display one plate that is securely fastened at or as close as practical to the  
14 exterior rear of the vehicle in a position not less than 12 inches from the ground, measuring from the  
15 bottom if the vehicle is a road tractor, motorcycle, trailer or semitrailer.

16 (c) Each vehicle registered under this subchapter must display license plates:

17 (1) assigned by the department for the period; or

18 (2) validated by a registration insignia issued by the department for a registration period  
19 consisting of 12 consecutive months at the time of application for registration, except that: [-]

20 (A) trailers, semitrailers, or pole trailers not subject to inspection under  
21 §548.052(3) may obtain a registration insignia for a period consisting of 12, 24, 36, 48 or 60 consecutive  
22 months on payment of all fees for each full year of registration; and

1                    (B) vehicles [~~Vehicles~~] may be registered for 24 consecutive months [~~only~~] in  
2 accordance with Transportation Code, §548.102 on payment of all fees. [~~However, the vehicle must be~~  
3 ~~registered for 24 consecutive months and all fees must be paid~~] for each year of registration, regardless  
4 of the number of months remaining on the inspection at the time of registration, provided [~~if both of the~~  
5 ~~following occur~~]:

6                    (i)[(~~A~~)] the vehicle receives a two-year inspection under §548.102; and

7                    (ii)[(~~B~~)] the application for registration is made in the name of the  
8 purchaser under Transportation Code, §501.0234.

9                    (d) The department may cancel any personalized alpha-numeric pattern that was issued if the  
10 department subsequently determines or discovers that the personalized license plate was not in  
11 compliance with these guidelines when issued, or if due to changing language usage, meaning or  
12 interpretation, the personalized license plate has become non-compliant with these guidelines. When  
13 reviewing a personalized alpha-numeric pattern, the department need not consider the applicant's  
14 subjective intent or declared meaning. The department will not issue any license plate containing an  
15 alpha-numeric pattern that meets one or more of the following criteria.

16                    (1) The alpha-numeric pattern conflicts with the department's current or proposed  
17 regular license plate numbering system.

18                    (2) The director of the department's Vehicle Titles and Registration Division or the  
19 director's designee finds that the personalized alpha-numeric pattern, including plate patterns that  
20 feature foreign or slang words or phrases, use phonetic, numeric or reverse spelling, acronyms, patterns  
21 viewed in mirror image, or use a code which only a small segment of the community may be able to readily  
22 decipher, that may be considered objectionable or misleading, including that the pattern may be viewed  
23 as, directly or indirectly:

1 (A) indecent (defined as including a reference or connotation to a sexual act,  
2 sexual body parts, excrement, or bodily fluids or functions. Additionally, "69" formats are prohibited  
3 unless used in combination with the vehicle make, for example, "69 CHEV".);

4 (B) a vulgarity (defined as profane, swear, or curse words);

5 (C) derogatory (defined as an expression that is demeaning to, belittles, or  
6 disparages any person, group, race, ethnicity, nationality, gender, sexual orientation, or refers to an  
7 organization that advocates such expressions);

8 (D) a reference to race, ethnicity, gender or sexual orientation whether the  
9 reference is derogatory or not;

10 (E) a reference to gangs, illegal activities, violence, implied threats of harm, or  
11 expressions that describe, advertise, advocate, promote, encourage, glorify, or condone violence, crime  
12 or unlawful conduct;

13 (F) a reference to illegal drugs, controlled substances, the physiological state  
14 produced by such substances, intoxicated states, or references that may express, describe, advertise,  
15 advocate, promote, encourage, glorify such items or states;

16 (G) a representation of, or reference to, law enforcement, military branches, or  
17 other governmental entities and their titles, including any reference to public office or position, military  
18 or law enforcement rank or status, or any other official government position or status; or

19 (H) deceptively similar to a military, restricted distribution, or other specialty  
20 plate.

21 (3) The alpha-numeric pattern is currently issued to another owner.

1                   (4) Notwithstanding the limitations on issuance of plate patterns in this subsection, the  
2 department may issue patterns that refer to publicly and privately funded institutions of higher education,  
3 including military academies, whether funded by state or federal sources, or both.

4                   (e) A decision to cancel or not issue a personalized alpha-numeric pattern under subsection (d) of  
5 this section may be appealed to the executive director of the department or the executive director's  
6 designee within 20 days of notification of the cancellation or non-issuance. All appeals must be in writing  
7 and the requesting party may include any written arguments, but shall not be entitled to a contested case  
8 hearing. The executive director or the executive director's designee will consider the requesting party's  
9 arguments and issue a decision no later than 30 days after the submission of the appeal, unless additional  
10 information is sought from the requestor, in which case the time for decision is tolled until the additional  
11 information is provided. The decision of the executive director or the executive director's designee is final  
12 and may not be appealed. An appeal is denied by operation of law 31 days from the submission of the  
13 appeal, or if the requestor does not provide additional requested information within ten days of the  
14 request.

15                   (f) The provisions of subsection (a) of this section do not apply to vehicles registered with annual  
16 license plates issued by the department.

17                   (g) A person whose initial application has been denied may either receive a refund or select a new  
18 alpha-numeric pattern. If an existing personalized alpha-numeric pattern has been cancelled, the person  
19 may choose a new personalized alpha-numeric pattern which will be valid for the remainder of the term  
20 or will forfeit the remaining term purchased.

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

3 Issued at Austin, Texas, on August 16, 2019.

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/s/ Tracey Beaver  
**Tracey Beaver, General Counsel**