

ADOPTION OF REVISIONS TO

SUBCHAPTER A. MOTOR VEHICLE TITLES

43 TAC §§217.3 - 217.5, 217.7, AND 217.12

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

43 TAC §§217.26 - 217.28, 217.40, 217.41, 217.47, 217.52, 217.54, 217.56, AND 217.57

REPEAL

43 TAC §217.37

SUBCHAPTER C. REGISTRATION AND TITLE SYSTEMS

43 TAC §217.72 AND §217.74

REPEAL

43 TAC §217.73

SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES

43 TAC §§217.83 AND 217.84

SUBCHAPTER. F. MOTOR VEHICLE RECORDS

43 TAC §§217.122 AND 217.124 – 217.127

SUBCHAPTER G. INSPECTIONS

43 TAC §217.143

SUBCHAPTER J. PERFORMANCE QUALITY RECOGNITION PROGRAM

43 TAC §217.204

SUBCHAPTER. L. ASSEMBLED VEHICLES

43 TAC §217.402, AND §217.404

INTRODUCTION. The Texas Department of Motor Vehicles (department) adopts amendments to 43 Texas Administrative Code (TAC) Chapter 217, Vehicle Titles and Registration, Subchapter A, Motor Vehicle

1 Titles, §§217.3 - 217.5, §217.7, and §217.12; amendments to Subchapter B, Motor Vehicle Registration,
2 §§217.26 - 217.28, 217.40, 217.41, 217.47, 217.52, 217.54, 217.56, and 217.57, and repeal of §217.37;
3 amendments to Subchapter C, Registration and Titling Systems, §217.72 and §217.74, and repeal of
4 §217.73; amendments to Subchapter D, Nonrepairable and Salvage Motor Vehicles, §217.83 and §217.84;
5 amendments to Subchapter F, Motor Vehicle Records, §§217.122, 217.124 – 217.127; amendments to
6 Subchapter G, Inspections, §217.143; amendments to Subchapter J, Performance Quality Recognition
7 Program, §217.204; and amendments to Subchapter L, Assembled Vehicles, §217.402 and §217.404.

8 The department adopts §§217.3, 217.4, 217.5, 217.7, 217.12, 217.26, 217.27, 217.28, 217.54,
9 217.57, 217.72, 217.74, 217.84, 217.122, 217.124, 217.125, 217.126, 217.127, 217.143, 217.204, 217.402,
10 and 217.404; and adopts the repeal of §217.37, and §217.73 without changes to the proposed text as
11 published in the June 26, 2026, issue of the *Texas Register* (51 TexReg 4113) and they will not be
12 republished. The department adopts amendments to §§217.40, 217.41, 217.47, 217.52, 217.56, and
13 217.83 with changes to the proposed text as published in the in the June 26, 2026, issue of the *Texas*
14 *Register* (51 TexReg 4113). These rules will be republished. The department withdraws the proposed
15 revisions to §§217.1, 217.6, 217.21, 217.32, 217.43, 217.45, 217.71, 217.81, 217.121, 217.141, 217.161,
16 217.181, 217.201, 217.301, and 217.401 and therefore retains the existing text of these sections.

17 The department adopts the amendments and repeals to update and streamline the rule text,
18 bringing it into compliance with statute and with current department procedure; to update the language
19 to remove unnecessary or obsolete requirements; to modernize language and improve readability
20 through the use of consistent terminology; and to more specifically describe the department's methods
21 and procedures.

22 Amendments are also adopted to align the rules with Transportation Code, §502.0024, which
23 requires the department to develop a system of registration allowing owners of trailers, semitrailers or

1 pole trailers with a gross weight of 7,500 pounds or less to register such trailers for an extended
2 registration period not to exceed five years.

3 **REASONED JUSTIFICATION.**

4 **Subchapter A. Motor Vehicle Titles**

5 §217.3

6 Adopted amendments to §217.3 delete §217.3(2) because it is a confusing and inconsistent
7 description of the registration requirements for tractors under Transportation Code, Chapter 502.
8 Registration of a tractor under Transportation Code, Chapter 502 is dependent on how the tractor is used
9 on public roads, regardless of whether it is owned by any particular entity or meets the specific definition
10 of a “road tractor” in Transportation Code, §502.001. The remaining paragraphs of §217.3 are adopted to
11 be renumbered to accommodate the deletion of §217.3(2).

12 §217.4

13 An adopted amendment to §217.4(d)(2) deletes “if applicable” and replaces it with the phrase
14 “unless exempt under Transportation Code, §502.072(c).” The adopted amendment provides clarity and
15 ease of reference by citing the statute that details the limited circumstances when an odometer disclosure
16 statement is not necessary in the application for a title for a motor vehicle.

17 §217.5

18 Adopted amendments to §217.5(a)(4)(C) delete “original” and replace that term with “copy of”
19 where pertinent to eliminate the requirement to provide the original version of the bond release letter to
20 align with Texas Transportation Code, §501.030, which does not require an applicant to produce the
21 original version of the bond release letter. This adopted change also aligns with the department’s current
22 practice of accepting a copy of the bond release letter.

1 An adopted amendment to §217.5(b) adds language limiting the department’s ability to reject a
2 transaction because the supporting documents that provide evidence of ownership have been altered.
3 Under the adopted language, the department would only be able to reject documents with altered text
4 when the text was originally printed by the department, person, or governmental entity issuing the
5 document and was later altered. The current rule language could be read to imply that any alteration to
6 any portion of a registration receipt, title, or other evidence of ownership set out in §217.5(a)(2) is a valid
7 reason for rejection, which does not reflect current department practices. However, alterations to text
8 printed by the document’s issuer indicate fraud. If corrections are necessary, the document’s issuer can
9 reissue a new document. To prevent fraud and forgery, an adopted amendment to §217.5(b) adds a
10 sentence stating that if a digit printed on a document by the document’s issuer has been altered, the
11 department will reject the transaction. On the other hand, the information provided by transferors may
12 require correction due to mistakes that do not indicate fraud, so the adopted amendments to §217.5(b)
13 allow correction to text in the document if the corrected text was not originally printed on the document
14 by the issuer. The adopted amended language aligns with the department’s policy of allowing statements
15 of fact to correct alterations of portions of documents filled out by a title applicant or seller. An additional
16 adopted amendment to §217.5(b) deletes the word “other” before “evidence of ownership” to align with
17 §217.5(a)(2), which uses “evidence of ownership” rather than “other evidence of ownership.”

18 An adopted amendment to §217.5 adds a new subsection (c) titled “Corrected documentation,”
19 moves language from former subsections (b)(1), (b)(3), and (b)(4) under adopted new subsection (c), and
20 renumbers accordingly. Former subsection (b)(2) was redundant with the adopted amended language in
21 §217.5(b) regarding altered issuer-printed digits, so the adopted amendments delete subsection (b)(2).
22 The adopted amendments reletter the remaining subsections as necessary to accommodate new

subsection §217.5(c). These amendments are adopted to improve organization within §217.5 because current §217.5(b)(1), (b)(3), and (b)(4) all describe different forms of acceptable document correction.

§217.7

Under §217.104(d) of this title, regarding Electronic Lien Title Program, when a lien that is recorded electronically instead of on a paper title is satisfied, the lienholder notifies the department and specifies the address to which the department should send the paper title. In accordance with §217.104(d), the address the lienholder gives the department may be for a recipient other than the owner of record when a party other than the owner of record has satisfied the lien. The department then removes the lien from the vehicle record, generates a paper title in the name of the owner of record, and mails it to the address specified by the lienholder. An adopted amendment to §217.7 creates a new subsection, §217.7(b), to address instances in which an owner or their agent requests a certified copy of the vehicle title, but the department's records indicate the title was issued to a third party at the direction of a lienholder following the release of an electronic lien. Adopted new §217.7(b) requires the owner or their agent to provide a written statement from either the third party to whom the department sent the title, disclaiming any interest in the vehicle, or a from the lienholder, stating that the title was incorrectly released to the third party. Adopted new §217.7(b) aligns with current department procedures and allows the department to confirm that the third party that received the title has no interest in the vehicle before the department would issue a certified copy of title to the owner of record. The remaining subsections under this section are re-lettered to accommodate new §217.7(b).

Adopted amended §217.7(c)(3) provides an additional option for submitting an application for a certified copy of title under a power of attorney by allowing the use of an expired photo identification of an owner or lienholder if the power of attorney is notarized by a Texas notary public. A notary public is a commissioned public officer who is required to confirm a person's identity for signature on the documents

1 they notarize. Under the adopted amendments that create a new re-lettered §217.7(c)(3)(A), the
2 notarized power of attorney submitted with an expired photo identification offers an option for people
3 applying for a certified copy of title. It guards against potential fraud while providing flexibility in situations
4 where the owner or lienholder does not have a current photo identification, such as due to illness or
5 incapacitation. The adopted amendments remove a reference to §217.7(b)(1) and (2) from re-lettered
6 §217.7(c)(3) and delete §217.7(b)(3)(C), because they are redundant with the reference to the same rule
7 provisions in adopted new re-lettered §217.7(c)(3)(A). The adopted amendments re-letter the remaining
8 subparagraphs of re-lettered §217.7(c)(3) to accommodate adopted new §217.7(c)(3)(A). Adopted
9 amendments to re-lettered §217.7(c)(3)(B) and (C) add language clarifying which requirements apply
10 when the power of attorney names an individual and which apply when it names an entity, without
11 changing the underlying identification requirements.

12 §217.12

13 An adopted amendment to §217.12 deletes §217.12(a) and re-letters the remaining subsections
14 accordingly. This adopted amendment eliminates text that is unnecessary because it is just a general
15 statement that summarizes the mandate provided in the statutes administered by the department and
16 county to collect required fees for services.

17 **Subchapter B. Motor Vehicle Registration**

18 §217.26

19 An adopted amendment to §217.26(c)(2)(B)(i) clarifies the photo identification requirements to
20 register a motor vehicle for a lessee where the lessee is not an individual but a legal entity. The adopted
21 amendments require the person signing the application for the lessee to produce a current photo
22 identification along with a letter of authorization on the lessee's letterhead or a printed business card of
23 the lessee. Under the adopted amendments, either the letter of authorization or the business card must

1 contain the name of the person signing the application that matches their photo identification. This
2 requirement would reduce the opportunity for fraud by lessees impersonating corporate entities.

3 §217.27

4 Adopted amendments to §217.27(c)(2) align the rule with statute in Transportation Code,
5 §502.0026 and with adopted amended §217.54 of this title (relating to Extended Registration). The
6 adopted amendments capture forms of extended registration that are not currently mentioned in the
7 rule, for clarity and ease of reference for readers.

8 §217.28

9 An adopted amendment to §217.28(f) replaces “one week” with “five consecutive business days”
10 to more specifically define “a protracted period of time” for closure of a county assessor-collector’s office
11 under Transportation Code, §502.407.

12 §217.37

13 This section, describing the charging of required fees provided in statute by the department and
14 county, is adopted for repeal because it is unnecessary as it is just a general statement that summarizes
15 the mandate provided in the statutes administrated by the department and county to collect required
16 fees for services.

17 §217.40

18 In response to comments, the department did not adopt the proposed amendments to delete
19 §217.40(a) and re-letter the remaining subsections accordingly, because stakeholders stated that
20 §217.40(a) provides clarity and guidance for readers who are not familiar with all of the department’s
21 statutes. An adopted amendment to §217.40(b)(3) adds a provision requiring an applicant applying for a
22 72- or 144-hour permit for a commercial motor vehicle, motor bus, trailer, or semi-trailer to provide a
23 United States Department of Transportation (USDOT) number. This adopted amendment aligns with

1 current department procedures that were put in place as a fraud deterrent to prevent applications using
2 false or stolen information. The adopted amendment helps to ensure the applications are from legitimate
3 applicants seeking such permits for use consistent with Transportation Code, §502.094. An adopted
4 amendment to §217.40(c)(2)(A) deletes the vehicle categories listed in clauses (i) through (v) because
5 clauses (i) - (iii) and (v) are duplicative of Texas Transportation Code, §502.095(d), and clause (iv) describes
6 a vehicle class that is not eligible for a thirty-day license plate under the statute.

7 §217.41

8 The department received comments that the purpose statement in §217.41(a) was helpful and
9 clarifying for readers. In response to these comments, the department did not adopt the proposed
10 deletion of §217.41(a) and the relettering of the remaining subsections. An adopted amendment to
11 §217.41(b)(2)(A)(ii) deletes the reference to “Subsection (b-1)” and replaces it with the reference to
12 Transportation Code, §504.202(b-1). The adopted amendment corrects a citation error that did not
13 properly reference the provision in the Transportation Code.

14 §217.47

15 In response to comments from stakeholders that the language proposed for deletion in
16 §217.47(a) is helpful to readers, the department did not adopt the proposed amendments to §217.47(a)
17 and the relettering of other subsections in §217.47.

18 An adopted amendment to §217.47(c) deletes §217.47(c)(7) and (8) since those provisions pertain
19 to notifications and costs between the department and the Department of Public Safety and the Texas
20 Commission on Environmental Quality that are governed by written agreements as authorized under
21 Transportation Code, §502.047, and not by the department’s rules.

1 §217.52

2 In response to comments from stakeholders that the language proposed for deletion in
3 §217.52(a) is helpful to readers, the department did not adopt the proposed amendments to §217.52(a)
4 and the relettering of other subsections in §217.52.

5 Adopted amendments to §217.52(h) delete three license plate categories (T-Plates license plates;
6 luxury license plates; and freedom license plates); rename the “custom license plates” category to
7 “custom personalized specialty license plates”; and provide new descriptions for the “custom
8 personalized specialty license plates,” “background-only license plates,” and “embossed, personalized
9 specialty license plates” categories. These adopted amendments eliminate outdated license plate
10 categories that are no longer in use and update outdated descriptions of license plate categories to ensure
11 program accuracy and to align the rule with current department practices. An adopted amendment to
12 §217.52(h)(9) deletes §217.52(h)(6)(A) as it is duplicative of Transportation Code, §504.853(c), and re-
13 letters the remaining paragraphs. Additional adopted amendments to §217.52 change cross-references
14 throughout the section to account for the re-numbering of paragraphs based on adopted amendments to
15 §217.52.

16 §217.54

17 Adopted amendments to §217.54 rename the section title and create two subsections to address
18 extended registration of commercial fleet vehicles and certain trailers. The adopted amendments align
19 the department’s rules with Transportation Code, §502.0023 and §502.0024. Transportation Code,
20 §502.0023 creates extended registration of commercial fleet vehicles registration for a period of not less
21 than one year or more than eight years. Transportation Code, §502.0024 requires the department to
22 develop an extended registration process to allow owners of trailers, semitrailers or pole trailers with a
23 gross weight of 7,500 pounds or less to register such trailers for a period not to exceed five years. An

1 adopted amendment to §217.54 retitles the section from “Registration of Fleet Vehicles” to “Extended
2 Registration” to more accurately describe the scope of the rule as amended to include the extended
3 registration of both commercial fleet vehicles and certain trailers as provided under Transportation Code,
4 §502.0023 and §502.0024. An adopted amendment creates new §217.54(a), titled “Extended Registration
5 of Commercial Fleet Vehicles,” and renumbers the existing subsections as paragraphs under the adopted
6 new subsection (a).

7 An adopted amendment to renumbered §217.54(a)(5)(B) adds an exception to the requirement
8 that the registration receipt for a token trailer be carried in the vehicle and available to law enforcement.
9 This amendment aligns the rule with Transportation Code, §502.0023(d-1) and Transportation Code,
10 §502.255(i), which do not require that the registration receipt be maintained in the token trailer so long
11 as the trailer displays a license plate issued for the registration.

12 Adopted amendments create new §217.54(b), titled “Extended Registration of Certain Trailers,”
13 to align the rule with Transportation Code, §502.0024. Adopted new §217.54(b)(1) clarifies for ease of
14 the reader’s reference that trailers, semitrailers, or pole trailers that have an actual gross weight or
15 registered gross weight of 7,500 pounds or less are eligible for extended registration, in alignment with
16 Transportation Code, §502.0024. Adopted new §217.54(b)(2) details the contents of the application, the
17 required supporting documents to show evidence of financial responsibility as required by Transportation
18 Code, §502.046, and the required fees associated with the application. Adopted new §217.54(b)(3) details
19 an owner’s options for selecting the extended registration period, including requirements that the
20 registration period be between one and five years, begin on the first day of a calendar month, and end on
21 the last day of a calendar month, to align with Transportation Code, §502.0024 and to make data
22 processing of the registration period simpler for the department’s registration and titling system. Adopted
23 new §217.54(b)(4) details the issuance of the registration insignia, registration receipt and license plate

1 for each extended registration trailer, while prohibiting transfer of the registration receipt or insignia
2 between vehicles, owners or registrants to prevent fraud and to make license plate tracking easier for law
3 enforcement. Adopted new §217.54(b)(5) provides that an extended registration expires if it is not
4 renewed prior to the end of the expiration period, but allows for the owner, after expiration, to either
5 register the trailer with single-year registration, or to request extended registration, to create flexibility
6 for owners.

7 §217.56

8 In response to comments from stakeholders that the language proposed for deletion in
9 §217.56(a) is helpful to readers, the department did not adopt the proposed amendments to §217.56(a)
10 and the relettering of other subsections in §217.56.

11 Adopted amendments to §217.56(b) delete the definition of “Regional Service Center” because
12 the term was only utilized in reference to an outdated physical approval process, and update the definition
13 of “temporary cab card” to more accurately describe the timing for expiration of the cards. An adopted
14 amendment to §217.56(c)(2)(B), updates the reference to the current version of the International
15 Registration Plan to align with the department’s adoption of International Registration Plan under
16 Transportation Code, §502.091.

17 Additional adopted amendments to §217.56(c) account for the department’s streamlined
18 temporary cab card process. Adopted amendments to §217.56(c)(2)(C) modernize the rule to reflect
19 electronic form submission for apportioned registration and clarify that applicants must provide the
20 department with documents and information required by the International Registration Plan. Additional
21 adopted amendments to §217.56(c)(2)(C) modernize the rule by striking language that describes the
22 calculation of IRP fees as a separate step, since the electronic system calculates the fees automatically.

1 The adopted amendments also remove the numbering designation from the remaining subparagraph (i)
2 to accommodate the deletion.

3 Adopted amendments to §217.56(c)(2)(D) broaden the scope of the paragraph to incorporate all
4 application requirements necessary for review and issuance of registration, consolidate language
5 regarding computation of fees, eliminate unnecessary language related to an outdated paper payment
6 process since IRP applications are now submitted electronically, and include a modernizing reference to
7 the department's issuance of cab cards at the time the application is approved. The adopted amendments
8 also clarify that the issuance of license plates, temporary cab cards, and cab cards is subject to the vehicle
9 being eligible for apportioned registration.

10 Adopted amendments §217.56(c)(2)(F) allow a registrant, during an audit by the department, to
11 submit operational records in any format, removing the requirement that the records be submitted in
12 number order and sequence by date. The adopted amendments to §217.56(c)(2)(F) provide more efficient
13 and flexible document submission options for the registrant. Similarly, adopted amendments to
14 §217.56(c)(2)(J)(ii) expand the options for conducting a conference between the department and a
15 registrant to discuss an adopted fee assessment, registration cancellation, or revocation of registration.
16 The adopted amendments to §217.56(c)(2)(J)(ii) include telephonic and videoconferencing as options to
17 allow more flexibility to the registrant and to align with current department processes. The adopted
18 amendments to §217.56(c)(2)(H) substitute "registrant" for "carrier" for consistency with the terminology
19 used in the remainder of §217.56(c)(2)(J).

20 Adopted amendments delete §217.56(c)(2)(M) in its entirety because it describes an outdated
21 process that the department has eliminated. The department currently issues a temporary cab card upon
22 approval of an application for apportioned registration and no longer requires paper submission of

original documents. An adopted amendment to §217.56(c)(2)(L) removes a cross-reference to §217.56(c)(2)(M) since the department adopted its deletion.

§217.57.

The adopted amendments to §217.57 remove language describing the department's obligation to submit an annual report to the legislature, because it is duplicative of the requirements specified in Transportation Code, §502.004(c).

Subchapter C. Registration and Title Systems

§217.72

An adopted amendment creates new §217.72(a) by transferring text from §217.73 regarding the agreement that the counties enter into with the department as a precondition to receiving automated equipment from the department. These adopted amendments consolidate and streamline all requirements pertaining to automated equipment for the registration and title system into one new subsection titled "Automated Equipment Agreement" for ease of reference. Additional adopted amendments re-letter the remaining subsections and references to subsections within §217.72 as necessary to accommodate adopted new §217.72(a).

§217.73

This section, which describes the requirement for and contents of a written agreement between the department and a county for the county to receive automated equipment, is adopted to be repealed, with its text consolidated into §217.72 to put into one rule all requirements and conditions for counties to obtain automated equipment for the registration and title system.

§217.74

1 An adopted amendment to §217.74(c) deletes the outdated requirement for active motor vehicle
2 dealers to secure webDealer access in advance of July 1, 2025, and the department's option to secure
3 access on behalf of a motor vehicle dealer in the county in which the motor vehicle dealer is located if the
4 motor vehicle dealer is unable to obtain access to the system by April 30, 2025. This provision was adopted
5 as part of the department's implementation of HB 718, 88th Legislature, Regular Session (2023), which
6 enacted Transportation Code, §520.0055 mandating motor vehicle dealers to submit title and registration
7 applications through the department's electronic system, also known as webDealer. The provision was a
8 temporary measure to ensure motor vehicle dealers came into compliance with the statutory mandate.
9 The deadlines have since passed and the provision is no longer necessary.

10 Similarly, adopted amendments to §217.74(g) delete the outdated deadline for existing motor
11 vehicle dealers to complete webDealer training and the outdated date to define newly licensed motor
12 vehicle dealers for purposes of webDealer training, both of which passed on April 30, 2025. Another
13 adopted amendment deletes §217.74(g)(2) and renumbers the paragraphs under §217.74(g) accordingly,
14 because it reflects an outdated requirement that is no longer relevant. The dates and webDealer training
15 exemption were adopted as part of the department's implementation of HB 718, 88th Legislature, Regular
16 Session (2023), which enacted Transportation Code, §520.0055 that mandated motor vehicle dealers to
17 submit title and registration applications through webDealer. The dates and exemption were temporary
18 measures to ensure motor vehicle dealers came into compliance with the training requirements. The
19 dates have since passed, so the rule provision is no longer necessary.

20 **Subchapter D. Nonrepairable and Salvage Motor Vehicles**

21 §217.83

22 The department received comments that the proposed amendments to §217.83, which
23 substituted statutory citations for descriptions and explanations of the statutory requirements, could

confuse readers seeking to apply for salvage and non-repairable vehicle titles. The department therefore did not adopt these amendments. The remaining adopted amendment to §217.83 fixes a cross-reference in §217.83(c)(2) to correct an error.

§217.84

Adopted amendments to §217.84(d) amend §217.84(d)(2) and delete §217.84(d)(3) to substitute a reference to Transportation Code, §501.0925 in place of the text describing the documentation requirements an insurance company must follow to obtain a nonrepairable or salvage vehicle title since those requirements are duplicative of Transportation Code, §501.0925. Adopted amendments renumber the remaining paragraphs of §217.84(d). An adopted amendment to adopted renumbered §217.84(d)(4) references Transportation Code, §501.0935 to clarify the statutory source of the required notices.

Subchapter F. Motor Vehicle Records

§217.122

An adopted amendment to §217.122(b)(13) modernizes the rule by replacing the term and definition of “eTAG file” with the term and definition of “ePLATE file.” HB 718, 88th Legislature, Regular Session (2023), amended Transportation Code, Chapter 503 by replacing the use of temporary tags in motor vehicle dealer operations with categories of license plates and requiring the department to develop a new license plate system to regulate the distribution and use of license plates. Since the implementation of HB 718, the department has transitioned to creating and maintaining records in the new license plate system of motor vehicle dealers. The adopted definition of “ePLATE file” describes the contents of the license plate records maintained by the department that can be accessed through procedures outlined in the rules described in Subchapter F, comprised of three bulk files containing records of license plates from a motor vehicle dealer and vehicle transfer notifications.

§217.124

1 An adopted amendment to §217.124(d)(3) replaces “eTAG” with “ePLATE” to be consistent with
2 the adopted amendment to §217.122(b)(13) that replaces the term and definition of “eTAG” with
3 “ePLATE.”

4 §217.125

5 An adopted amendment to §217.125 creates new §217.125(b)(1) to require that a requestor of
6 personal information from motor vehicles records under the permitted disclosures of certain personal
7 information in Transportation Code, §730.007(a)(2)(B)(ii) submit proof of a complaint of motor vehicle
8 theft filed with a law enforcement agency or a report created by a law enforcement agency describing a
9 complaint of a motor vehicle theft. The adopted amendment prevents inappropriate release of motor
10 vehicle record information by requiring the requestor to provide documentation to show the genuineness
11 of the request. The adopted amendments also align the rule with current department procedures.
12 Additional adopted amendments to §217.125 renumber the remaining paragraphs in subsection (b) to
13 accommodate adopted new §217.125(b)(1).

14 §217.126

15 An adopted amendment to §217.126(a) substitutes a reference to Transportation Code, §730.013
16 in place of text that duplicates that statute. Similarly, an adopted amendment deletes §217.126(c) as it is
17 duplicative of Transportation Code, §730.013. An adopted amendment re-letters the remaining
18 subsection accordingly.

19 §217.127

20 Adopted amendments to §217.127 delete §217.127(b) and consolidate its text into §217.127(a)
21 to streamline the rule. An adopted amendment re-letters the remaining subsection accordingly.

22 **Subchapter G. Inspections**

23 §217.143

Adopted amendments to §217.143 delete §217.143(b) and re-letter the remaining subsections accordingly. The requirement for a custom vehicle or street rod to pass a safety inspection performed by a master technician is unnecessary in §217.143(b) since a custom vehicle and street rod fall within the definition of “assembled vehicle” under Transportation Code, §731.001(a)(4) and would already require a passing safety inspection from a master technician under §217.143(a) prior to titling of the vehicle.

Subchapter J. Performance Quality Recognition

§217.204

Adopted amendments to §217.204(a) streamline the existing text of the subsection for easier readability without changing the meaning.

Subchapter L. Assembled Vehicles

§217.402

An adopted amendment to §217.402 creates new §217.402(c) by incorporating the text from §217.401(b) to consolidate it with the other definitions for Subchapter L, because it defines “a glider kit issued a title with a ‘RECONSTRUCTED’ remark” as a “replica.”

§217.404

An adopted amendment to §217.404(a)(7) adds “if applicable” to the requirement for submission of a weight certificate with an application for initial titling of an assembled vehicle, since the department does not record and maintain the weights of motorcycles and mopeds in the department’s system. The adopted amendment to §217.404(a)(7) clarifies that a weight certificate is an optional supporting document to the title application.

CHANGES AT ADOPTION. The department received comments from stakeholders on proposed §§217.1, 217.6, 217.21, 217.32, 217.40, 217.41, 217.43, 217.45, 217.47, 217.52, 217.56, 217.71, 217.81, 217.83, 217.121, 217.141, 217.161, 217.181, 217.201, 217.301, and 217.401. The stakeholders requested

1 reinstatement of rule language that the department had proposed for amendment or repeal because it
2 was identified during rule review and the review by the Texas Regulatory Efficiency Office as duplicative
3 of statute, unnecessary, in need of streamlining, or in need of modernization. After consideration of the
4 comments, the department modified §§217.40, 217.41, 217.47, 217.52, 217.56, and 217.83 at adoption
5 and withdrew the proposed revisions to §§217.1, 217.6, 217.21, 217.32, 217.43, 217.45, 217.71, 217.81,
6 217.121, 217.141, 217.161, 217.181, 217.201, 217.301, and 217.401 to remove the amendments the
7 stakeholders identified as unnecessary or unhelpful.

8 At adoption, the department did not adopt the proposed amendments to §217.43(c) that
9 removed a cross-reference to §217.32, which was proposed for repeal, and replaced it with a reference
10 to Transportation Code, §502.060 and §504.007. The department determined the existing cross-reference
11 to §217.32 should be retained since the department did not adopt the repeal of §217.32.

12 **SUMMARY OF COMMENTS.**

13 The department received two timely written comments on the proposal from the Texas Automobile
14 Dealers Association (TADA) and the Texas Independent Automobile Dealers Association (TIADA).

15 **Comment.** TADA and TIADA commented in opposition to adoption of the proposed rule amendments
16 concerning the purpose-and-scope provisions in §§217.1, 217.21, 217.40(a), 217.41(a), 217.43(a),
17 217.45(a), 217.47(a), 217.52(a), 217.56(a), 217.71(a), 217.81, 217.121, 217.141, 217.161, 217.181,
18 217.201, 217.301, and 217.401, which were identified by the department as part of the Texas Regulatory
19 Efficiency Office's (TREO) review of the department's rules to cull out unnecessary rules. TADA asserted
20 that the existing sections assist the public and regulated entities in understanding the department's intent
21 and rationale for adopting the rules, and give readers a better regulatory comprehension of the
22 department. TADA contended the amendments would create confusion or add unnecessary complexity
23 and could disrupt established reliance on existing rule language without addressing a demonstrated need.

1 TIADA contended the proposed elimination of the purpose-and-scope provisions throughout Chapter 217
2 would put independent dealers at a disadvantage in understanding the rules because the purpose-and-
3 scope provisions assist independent motor vehicle dealers, who largely lack compliance or legal staff, with
4 a better understanding of the organization and application of the rules to maintain compliance with the
5 rules.

6 **Response.** The department agrees. These rules were identified for amendment or deletion by the
7 department as part of the TREO review because they contained unnecessary or unenforceable language,
8 required modernization, or duplicated statutory provisions. Throughout the review, TREO staff
9 emphasized that it was important for the department to consider stakeholder feedback. In light of the
10 comments indicating that stakeholders find the language that was proposed for deletion helpful, the
11 department did not adopt the proposed amendments.

12 **Comment.** TADA commented in opposition to adoption of the proposed rule amendments in §217.6.
13 TADA objected to the proposed amendments to delete §217.6(a) because the rule text is not entirely
14 duplicative of Transportation Code §501.024 and includes language that aids the public in understanding
15 the department's titling process.

16 **Response.** The department agrees. After further review, the department determined that §217.6(a)
17 provides clarity where it is lacking in Transportation Code, §501.024 by providing statutory cites to the
18 title fee exemptions, and provides background on the requirements for issuance of a title receipt to a title
19 applicant. The department did not adopt the repeal at adoption.

20 **Comment.** TADA and TIADA commented in opposition to adoption of the proposed repeal of §217.32.
21 TADA objected to the proposed repeal of §217.32 because it clarifies for the public how and when to apply
22 for the replacement license plates or other registration devices, with details that Transportation Code,
23 §502.060 and §504.007 do not provide. TIADA objected to the proposed repeal of §217.32 because

§217.32 codifies a statewide standard for administration of the governing statutes concerning the replacement of license plates and registration insignia. Without it, TIADA is concerned that there would be an inconsistent standard of administration based on each county tax assessor-collector's individual interpretation of the governing statutes. TIADA contended that this could create an unnecessary compliance burden for dealers, consumers and county offices.

Response. The department agrees. After further review, the department determined that §217.32 provides additional clarity on the reasons a person may need to apply for replacement license plates or registration devices that are not immediately apparent from Transportation Code §502.060 and §504.007. The rule also clarifies that county tax assessor-collector offices are the locations for submitting replacement applications. The department withdrew and did not adopt the repeal.

Comment. TADA commented in opposition to adoption of the proposed rule amendments to §217.83, which substituted statutory cites for explanatory language in the rule, because they could create confusion for the public regarding who is required to apply for a nonrepairable or salvage title and how to apply for such titles.

Response. The department agrees. Since stakeholders find the language that was proposed for deletion helpful, the department did not adopt the proposed amendments in §217.83 that substituted statutory citations for explanations and descriptions of the statutory requirements.

SUBCHAPTER A. MOTOR VEHICLE TITLES

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §501.0041, which gives the department authority to adopt rules to administer Transportation Code Chapter 501, Certificate of Title Act; Transportation Code, §501.023, which authorizes the department to prescribe the process and procedures for applying for a motor vehicle title;

1 Transportation Code, §501.0315, which authorizes the department to adopt rules governing the
2 designation of a beneficiary by a motor vehicle owner; Transportation Code, §501.134, which authorizes
3 the department to establish by rule a process for obtaining a lost or destroyed certificate of title; and
4 Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and
5 appropriate to implement the powers and duties of the department, as well as the statutes referenced
6 throughout this preamble.

7 **CROSS REFERENCE TO STATUTE.** The adopted amendments implement Transportation Code,
8 §§501.0041, 501.023, 501.0315, 501.134, and 1002.001.

9
10 Text.

11 §217.3. Motor Vehicle Titles.

12 Unless otherwise exempted by law or this chapter, the owner of any motor vehicle that is
13 required to be titled, including any motor vehicle required to be registered in accordance with
14 Transportation Code Chapter 502, shall apply for a Texas title in accordance with Transportation Code
15 Chapter 501 or 731, or this subchapter.

16 (1) Motorcycles, autocycles, and mopeds. The title requirements for a motorcycle,
17 auticycle, and moped are the same requirements prescribed for any motor vehicle.

18 (2) Neighborhood electric vehicles. The title requirements of a neighborhood electric
19 vehicle (NEV) are the same requirements prescribed for any motor vehicle.

20 (3) Trailers, semitrailers, and house trailers. If a trailer or semitrailer with a gross weight
21 of 4,000 pounds or less has been titled previously, any subsequent owner shall apply for a Texas title for
22 the trailer or semitrailer. Travel trailer-type vehicles must meet the criteria outlined in subparagraph (C)
23 of this paragraph to be titled:

(A) The rated carrying capacity will not be less than one-third of its empty weight.

(B) Mobile office trailers, mobile oil field laboratories, and mobile oil field bunkhouses are not designed as dwellings, but are classified as commercial semitrailers and must be registered and titled as commercial semitrailers if operated on the public streets and highways.

(C) House trailer-type vehicles and camper trailers must meet the following criteria in order to be titled.

(i) A house trailer-type vehicle that is less than eight feet six inches in width or less than 45 feet in length is classified as a travel trailer and shall be registered and titled.

(ii) A camper trailer shall be titled as a house trailer and shall be registered with travel trailer license plates.

(iii) A recreational park model type trailer that is primarily designed as temporary living quarters for recreational, camping or seasonal use, is built on a single chassis, and is 400 square feet or less when measured at the largest horizontal projection when in the set up mode shall be titled as a house trailer and may be issued travel trailer license plates.

(4) Assembled vehicles. The title requirements for assembled vehicles are prescribed in Subchapter L of this title (relating to Assembled Vehicles).

(5) Not Eligible for Title. The following are not eligible for a Texas title regardless of the vehicle's previous title or registration in this or any other jurisdiction:

(A) vehicles that are missing or are stripped of their motor, frame, or body, to the extent that the vehicle loses its original identity or makes the vehicle unsafe for on-road operation as determined by the department;

(B) vehicles designed by the manufacturer for on-track racing only;

(C) vehicles designed or determined by the department to be for off-highway use only, unless specifically defined as a "motor vehicle" in Transportation Code Chapter 501; or

(D) vehicles assembled, built, constructed, rebuilt, or reconstructed in any manner with:

(i) a body or frame from a vehicle which is a "nonrepairable motor vehicle" as that term is defined in Transportation Code §501.091(9); or

(ii) a motor or engine from a vehicle which is flood damaged, water damaged, or any other term which may reasonably establish the vehicle from which the motor or engine was obtained is a loss due to a water related event.

§217.4. Initial Application for Title.

(a) Time for application. A person must apply for the title not later than the 30th day after the date of assignment, except:

(1) in a seller-financed sale, the title must be applied for not later than the 45th day after the date the motor vehicle is delivered to the purchaser;

(2) a member of the armed forces or a member of a reserve component of the United States, a member of the Texas National Guard or of the National Guard of another state serving on active duty, must apply not later than the 60th day after the date of assignment of ownership; or

(3) as otherwise provided by Transportation Code, Chapter 501.

(b) Place of application. Except as otherwise provided by Transportation Code, Chapters 501 and 502, and by §217.84(a) of this title (relating to Application for Nonrepairable or Salvage Vehicle Title), when motor vehicle ownership is transferred, a title application must be filed with:

(1) the county tax assessor-collector in the county in which the applicant resides or in the county in which the motor vehicle was purchased or encumbered; or

(2) a county tax assessor-collector of a county who is willing to accept the application.

(c) Information to be included on application. An applicant for an initial title must file an application on a form prescribed by the department. The form will at a minimum require the:

(1) motor vehicle description including, but not limited to, the motor vehicle:

(A) year;

(B) make;

(C) identification number;

(D) body style; and

(E) empty weight;

(2) license plate number, if the motor vehicle is subject to registration under Transportation Code, Chapter 502;

(3) odometer reading and brand, or the word "exempt" if the motor vehicle is exempt from federal and state odometer disclosure requirements;

(4) previous owner's legal name and municipality and state, if available;

(5) legal name as stated on the identification presented and complete address of the applicant;

(6) name and mailing address of any lienholder and the date of lien, if applicable;

(7) signature of the seller of the motor vehicle or the seller's authorized agent and the date the title application was signed; and

(8) signature of the applicant or the applicant's authorized agent and the date the title application was signed.

(d) Accompanying documentation. The title application must be supported by, at a minimum, the following documents:

(1) evidence of vehicle ownership, as described in §217.5 of this title (relating to Evidence of Motor Vehicle Ownership);

(2) an odometer disclosure statement properly executed by the seller of the motor vehicle and acknowledged by the purchaser, unless exempt under Transportation Code, §501.072(c);

(3) proof of financial responsibility in the applicant's name, as required by Transportation Code, §502.046, unless otherwise exempted by law;

(4) for a vehicle last registered or titled in another state, verification of the vehicle identification number by a process prescribed on a form by the department for the applicant to self-certify the vehicle identification number if the vehicle is not subject to Transportation Code, Chapter 548;

(5) a release of any liens, provided that if any liens are not released, they will be carried forward on the new title application; and

(6) any documents required by §217.9 of this title (relating to Bonded Titles).

§217.5. Evidence of Motor Vehicle Ownership.

(a) Evidence of motor vehicle ownership properly assigned to the applicant must accompany the title application. Evidence must include, but is not limited to, the following documents.

(1) New motor vehicles. A manufacturer's certificate of origin assigned by the manufacturer or the manufacturer's representative or distributor to the original purchaser is required for a new motor vehicle that is sold or offered for sale.

(A) The manufacturer's certificate of origin must be in the form prescribed by the department and must contain, at a minimum, the following information:

(i) manufacturer's name on the face of the manufacturer's certificate of origin;

(ii) motor vehicle description including, but not limited to, the motor vehicle year, make, model, identification number, and body style;

(iii) the empty or shipping weight;

(iv) the gross vehicle weight when the manufacturer's certificate of origin is invoiced to a licensed Texas motor vehicle dealer and is issued for commercial motor vehicles as that term is defined in Transportation Code, Chapter 502;

(v) a statement identifying a motor vehicle designed by the manufacturer for off-highway use only;

(vi) if the vehicle is a motor bus, the manufacturer must show the seating capacity (number of passengers) of the motor bus on the manufacturer's certificate; and

(vii) if the vehicle is a "neighborhood electric vehicle," a statement that the vehicle meets Federal Motor Vehicle Safety Standard 500 (49 C.F.R. §571.500) for low-speed vehicles.

(B) When a motor vehicle manufactured in another country is sold directly to a person other than a manufacturer's representative or distributor, the manufacturer's certificate of origin must be assigned to the purchaser by the seller.

(2) Used motor vehicles. Applicants applying for title to a used motor vehicle must relinquish as evidence of ownership one of the following documents:

(A) a title issued by the department;

(B) a title issued by another state if the motor vehicle was last titled in another state;

(C) documents evidencing a transfer of motor vehicle ownership by operation of law as listed in Transportation Code §501.074;

(D) a registration receipt if the applicant is coming from a state that no longer titles vehicles after a certain period of time; or

(E) a bill of sale when the applicant presents:

(i) an out-of-state or out-of-country registration receipt that does not provide a transfer of ownership section;

(ii) an out of state title when all dealer reassignment sections have been completed and the issuing state does not utilize supplemental dealer reassignment forms; or

(iii) a non-titled vehicle.

(3) Evidence of Ownership for Purpose of Identification Number Assignment or Reassignment. An applicant for assignment or reassignment of an identification number under Transportation Code §501.033 who is unable to produce evidence of ownership under this section, may file a bond with the department in accordance with Transportation Code §501.053 and §217.9 of this title (relating to Bonded Titles). The bond will serve as evidence of ownership for purposes of §501.033(b).

(4) Motor vehicles brought into the United States. An application for title for a motor vehicle last registered or titled in a foreign country must be supported by documents including, but not limited to, the following:

1 (A) the motor vehicle registration certificate or other verification issued by a
2 foreign country reflecting the name of the applicant as the motor vehicle owner, or reflecting that legal
3 evidence of ownership has been legally assigned to the applicant;

4 (B) the identification number inspection required under Transportation Code
5 §501.032(a)(2), except as provided in §501.032(b); and

6 (C) for motor vehicles that are less than 25 years old, proof of compliance with
7 United States Department of Transportation (USDOT) regulations including, but not limited to, the
8 following documents:

9 (i) copy of the bond release letter with all attachments advising that the
10 motor vehicle meets federal motor vehicle safety requirements or a letter issued by the USDOT,
11 National Highway Traffic Safety Administration, verifying the issuance of the bond release letter;

12 (ii) a legible copy of the motor vehicle importation form validated with a
13 signature as filed with the USDOT confirming the exemption from the bond release letter required in
14 clause (i) of this subparagraph, or a copy thereof certified by United States Customs;

15 (iii) a verification of motor vehicle inspection by United States Customs
16 certified on its letterhead and signed by its agent verifying that the motor vehicle complies with USDOT
17 regulations;

18 (iv) a written confirmation that a physical inspection of the safety
19 certification label has been made by the department and that the motor vehicle meets United States
20 motor vehicle safety standards;

21 (v) copy of the bond release letter, verification thereof, or written
22 confirmation from the previous state verifying that a bond release letter issued by the USDOT was

1 relinquished to that jurisdiction, if the non-United States standard motor vehicle was last titled or
2 registered in another state for one year or less; or

3 (vi) verification from the vehicle manufacturer on its letterhead
4 stationery.

5 (b) Alterations to documentation. An alteration to text in a registration receipt, title,
6 manufacturer's certificate, or evidence of ownership set out in subsection (a) of this section, that was
7 printed by the department, person, or governmental entity issuing the document, constitutes a valid
8 reason for the rejection of any transaction to which altered evidence is attached. If any digit printed by
9 the department, person or governmental entity issuing the document has been altered on any of the
10 document types described above, the transaction shall be rejected.

11 (c) Corrected documentation.

12 (1) Altered lien information on any surrendered evidence of ownership requires a release
13 from the original lienholder or a statement from the proper authority of the state in which the lien
14 originated. The statement must verify the correct lien information.

15 (2) A corrected manufacturer's certificate of origin will be required if the manufacturer's
16 certificate of origin contains an:

- 17 (A) incomplete or altered vehicle identification number;
18 (B) alteration or strikeover of the vehicle's model year;
19 (C) alteration or strikeover to the body style, or omitted body style on the
20 manufacturer's certificate of origin; or
21 (D) alteration or strikeover to the weight.

(3) A statement of fact may be requested to explain errors, corrections, or conditions from which doubt does or could arise concerning the legality of any instrument. A statement of fact will be required in all cases:

(A) in which the date of sale on an assignment has been erased or altered in any manner; or

(B) of alteration or erasure on a Dealer's Reassignment of Title.

(d) Rights of survivorship. A signed "rights of survivorship" agreement may be executed by a natural person acting in an individual capacity in accordance with Transportation Code, §501.031.

(e) Identification required.

(1) An application for title is not acceptable unless the applicant presents a current photo identification of the owner containing a unique identification number. The current photo identification must be a:

(A) driver's license or state identification certificate issued by a state or territory of the United States;

(B) United States or foreign passport;

(C) United States military identification card;

(D) North Atlantic Treaty Organization identification or identification issued under a Status of Forces Agreement;

(E) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document; or

(F) license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(2) If the motor vehicle is titled in:

1 (A) more than one name, then the identification of one owner must be
2 presented;

3 (B) the name of a leasing company, then:

4 (i) proof of the Federal Employer Identification Number/Employee
5 Identification Number (FEIN/EIN) of the leasing company must be submitted, written on the application,
6 and can be entered into the department's titling system. The number must correspond to the name of
7 the leasing company in which the vehicle is being titled; and

8 (ii) the leasing company may submit:

9 (I) a government issued photo identification, required under
10 paragraph (1) of this subsection, of the lessee listed as the registrant; or

11 (II) a government issued photo identification, required under
12 paragraph (1) of this subsection, of the employee or authorized agent who signed the application for the
13 leasing company, and the employee's or authorized agent's employee identification, letter of
14 authorization written on the lessor's letterhead, or a printed business card. The printed business card,
15 employee identification, or letter of authorization written on the lessor's letterhead must contain the
16 name of the lessor, and the employee's or authorized agent's name must match the name on the
17 government issued photo identification;

18 (C) the name of a trust, then a government issued photo identification, required
19 under paragraph (1) of this subsection, of a trustee must be presented; or

20 (D) the name of a business, government entity, or organization, then:

21 (i) proof of the Federal Employer Identification Number/Employee
22 Identification Number (FEIN/EIN) of the business, government entity, or organization must be
23 submitted, written on the application, and can be entered into the department's titling system. The

1 number must correspond to the name of the business, government entity, or organization in which the
2 vehicle is being titled;

3 (ii) the employee or authorized agent must present a government
4 issued photo identification, required under paragraph (1) of this subsection; and

5 (iii) the employee's or authorized agent's employee identification; letter
6 of authorization written on the business', government entity's, or organization's letterhead; or a printed
7 business card. The printed business card, employee identification, or letter of authorization written on
8 the business', government entity's, or organization's letterhead must contain the name of the business,
9 governmental entity, or organization, and the employee's or authorized agent's name must match the
10 name on the government issued photo identification.

11 (3) In addition to the requirements of paragraphs (1) and (2) of this subsection, if a
12 power of attorney is being used to apply for a title, then the applicant must show:

13 (A) identification, required under paragraph (1) of this subsection, matching the
14 person named as power of attorney; or

15 (B) identification, required under paragraph (1) of this subsection, and
16 employee identification or a printed business card or authorization written on the letterhead of the
17 entity named as power of attorney that matches the identification of the employee if the power of
18 attorney names an entity.

19 (4) Within this subsection, an identification document such as a printed business card,
20 letter of authorization, or power of attorney, may be an original or a photocopy.

21 (5) A person who holds a general distinguishing number issued under Transportation
22 Code, Chapter 503 is exempt from submitting to the county tax assessor-collector, but must retain:

(A) the owner's identification, as required under paragraph (1) of this subsection; and

(B) authorization to sign, as required under paragraph (2) of this subsection.

(6) A person who holds a general distinguishing number issued under Transportation Code, Chapter 503 is not required to submit photo identification or authorization for an employee or agent signing a title assignment with a secure power of attorney.

§217.7. Replacement of Title.

(a) Lost or destroyed title. If a title is lost or destroyed, the department will issue a certified copy of the title to the owner, the lienholder, or a verified agent of the owner or lienholder in accordance with Transportation Code, Chapter 501, on proper application and payment of the appropriate fee to the department.

(b) Titles sent to Third Parties from Release of E-Liens. If the owner of a vehicle or their agent requests a certified copy of their title, which department records show was mailed to a third party by the department at the request of the lienholder following release of an e-lien, the department will not process the request absent submission of:

(1) a written statement from the third party, to whom the department mailed the certified copy of title, disclaiming any interest in the vehicle; or

(2) a written statement from the lienholder, stating that the title was incorrectly released to the third party, to whom the department mailed the certified copy of title.

(c) Identification required.

(1) An owner or lienholder may not apply for a certified copy of title unless the applicant presents a current photo identification of the owner or lienholder containing a unique identification number and expiration date. The current photo identification must be a:

(A) driver's license or state identification certificate issued by a state or territory of the United States;

(B) United States or foreign passport;

(C) United States military identification card;

(D) North Atlantic Treaty Organization identification or identification issued under a Status of Forces Agreement;

(E) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document; or

(F) license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(2) If the motor vehicle is titled in:

(A) more than one name, then the identification for each owner must be presented;

(B) the name of a leasing company, then the lessor's employee or authorized agent who signed the application for the leasing company must present:

(i) a government issued photo identification, required under paragraph (1) of this subsection; and

(ii) employee identification, letter of authorization written on the lessor's letterhead, or a printed business card. The printed business card, employee identification, or letter of authorization written on the lessor's letterhead must contain the name of the lessor, and the

1 employee's or authorized agent's name must match the name on the government issued photo
2 identification;

3 (C) the name of a trust, then a government issued photo identification, required
4 under paragraph (1) of this subsection, of a trustee must be presented; or

5 (D) the name of a business, government entity, or organization, then:

6 (i) the employee or authorized agent must present a government issued
7 photo identification, required under paragraph (1) of this subsection; and

8 (ii) the employee's or authorized agent's employee identification; letter
9 of authorization written on the business', government entity's, or organization's letterhead; or a printed
10 business card. The printed business card, employee identification, or letter of authorization written on
11 the business', government entity's, or organization's letterhead must contain the name of the business,
12 governmental entity, or organization, and the employee's or authorized agent's name must match the
13 name on the government issued photo identification.

14 (3) If a power of attorney is being used to apply for a certified copy of title, then the
15 applicant must show:

16 (A) identification of the owner or lienholder that meets the requirements of
17 paragraphs (1) and (2) of this subsection, except that if the power of attorney is notarized by a
18 commissioned Texas notary public, the photo identification of the owner or lienholder can be expired
19 more than 12 months, and:

20 (B) if the power of attorney names an individual, a current photo identification,
21 required under paragraph (1) of this subsection, matching the person named as power of attorney; or

22 (C) if the power of attorney names an entity, a current photo identification,
23 required under paragraph (1) of this subsection, and employee identification or a printed business card

1 or authorization written on the letterhead of the entity named as power of attorney that matches the
2 identification of the employee.

3 (4) Within this subsection, an identification document, such as a printed business card,
4 letter of authorization, or power of attorney, may be an original or a photocopy.

5 (d) Issuance. An application for a certified copy must be properly executed and supported by
6 appropriate verifiable proof of the vehicle owner, lienholder, or agent regardless of whether the
7 application is submitted in person or by mail. A certified copy will not be issued until after the 14th day
8 that the original title was issued.

9 (e) Denial. If issuance of a certified copy is denied, the applicant may resubmit the request with
10 the required verifiable proof or may pursue the privileges available in accordance with Transportation
11 Code, §501.052 and §501.053.

12 (f) Additional copies. An additional certified copy will not be issued until 30 days after issuance
13 of the previous certified copy.

14 (g) Fees. The fee for obtaining a certified copy of a title is \$2 if the application is submitted to
15 the department by mail and \$5.45 if the application is submitted in person for expedited processing at
16 one of the department's regional offices.

17
18 §217.12. Fees.

19 (a) The \$25 mechanic lien fee provided by Property Code, §70.006 may be charged once per
20 vehicle.

21 (b) There is no charge for issuance of title receipt or the duplicate title receipt at the time of
22 application.

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §502.0021, which authorizes the department to adopt rules to administer Transportation Code Chapter 502, Registration of Vehicles; Transportation Code, §502.0024, which authorizes the department to develop and implement an extended registration process for a trailer, semitrailer, or pole trailer with a gross weight of 7,500 pounds or less; Transportation Code, §502.004, which requires the board to adopt rules establishing a program to collect information concerning the number of alternatively fueled vehicles registered in Texas; Transportation Code, §502.040, which authorizes the department to prescribe the process and procedures for applying for a motor vehicle registration; Transportation Code, §502.047, which authorizes the department to develop a vehicle registration based enforcement for motor vehicle inspections; Transportation Code, §502.060, which governs the replacement of registration insignia; Transportation Code, §502.091, which authorizes the department to enter into agreements with other jurisdictions of the United States and foreign countries to allow for reciprocal registration of vehicles to residents and nonresidents under the International Registration Plan and to adopt rules to carry out the International Registration Plan; Transportation Code, §502.094, which authorizes the department to issue 72- or 144-hour permits; Transportation Code, §502.095, which authorizes the department to issue one-trip and 30-day license plates; Transportation Code, §502.191, which governs the collection of fees by the department or county; Transportation Code, §502.1911, which authorizes the board to adopt rules to set registration processing and handling fees; Transportation Code, §502.407, which authorizes the department to define protracted period of time for an office closure of a county assessor-collector by rule; Transportation Code, §502.434, which authorizes the department to issue excess weight permits; Transportation Code §504.0011, which authorizes the department to adopt rules to implement and administer Transportation Code, Chapter

504, License Plates; Transportation Code, §504.007, which governs the replacement of license plates; Transportation Code, §504.201, which requires the department to issue disabled person license plates; Transportation Code, §504.202, which requires the department to issue disabled veteran license plates; Transportation Code, §504.2025, which requires the department to issue disabled peace officer license plates; Transportation Code, §504.801, which governs the creation of new specialty license plates by the department; Transportation Code, §504.851, which authorizes the department to contract with private vendors to propose and market department approved specialty license plates and adopt rules setting the fees for the issuance and renewal of the specialty license plates; Transportation Code, §681.002, which authorizes the department to issue disabled parking placards; and 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§502.0021, 502.0024, 502.040, 502.047, 502.060, 502.091, 502.094, 502. 095, 502.191, 502.1911, 502.407, 502.434, 504.0011, 504.007, 504.201, 504.202, 504.2025, 504.801, 504.851, 681.002, and 1002.001.

Text.

§217.26. Identification Required.

(a) Except as stated in subsections (b), (c), (g) and (h) of this section, an application for initial registration - including registration under Transportation Code, Chapter 502, Subchapters C or I; §502.146; a registration under §217.66 of this title (relating to Specialized License Plate for Registration of Rental Trailers); or a commercial vehicle registration under §217.46(b) of this title (relating to Commercial Vehicle Registration) - is not acceptable unless the applicant presents a current photo

1 identification of the owner containing a unique identification number and expiration date. The current
2 photo identification must be a:

3 (1) driver's license or state identification certificate issued by a state or territory of the
4 United States;

5 (2) United States or foreign passport;

6 (3) United States military identification card;

7 (4) North Atlantic Treaty Organization identification or identification issued under a
8 Status of Forces Agreement;

9 (5) United States Department of Homeland Security, United States Citizenship and
10 Immigration Services, or United States Department of State identification document; or

11 (6) license to carry a handgun issued by the Texas Department of Public Safety under
12 Government Code, Chapter 411, Subchapter H.

13 (b) Except as stated in subsections (c), (g) and (h) of this section, - an application for initial
14 registration under Transportation Code, Chapter 502- other than registration under Subchapters C or I of
15 Chapter 502; §502.146; a registration under §217.66 of this title (relating to Specialized License Plate for
16 Registration of Rental Trailers); or a commercial vehicle registration under §217.46(b) of this title
17 (relating to Commercial Vehicle Registration) - is not acceptable unless the applicant presents one of the
18 following for the owner of the vehicle:

19 (1) a valid, unexpired driver's license or state identification certificate that complies with
20 REAL ID and is not marked "limited term" or "temporary," issued by a state or territory of the United
21 States;

1 (2) a valid, unexpired driver's license or state identification certificate issued by a state
2 that issues driver's licenses and state identification certificates only to individuals who are legally
3 present in the United States;

4 (3) a valid, unexpired driver's license or state identification certificate issued by a state
5 or territory of the United States, accompanied by a United States birth certificate, United States
6 Certificate of Naturalization (N-550 or N-570), or a United States Certificate of Citizenship (N-560 or N-
7 561);

8 (4) a valid passport; or

9 (5) a valid, unexpired license to carry a handgun issued by the Texas Department of
10 Public Safety under Government Code, Chapter 411, Subchapter H.

11 (c) If the motor vehicle is titled in:

12 (1) more than one name, then the identification of one owner under subsections (a), (b),
13 or (c)(2) - (4) of this section, as applicable, must be presented;

14 (2) the name of a leasing company, then:

15 (A) proof of the Federal Employer Identification Number/Employee
16 Identification Number (FEIN/EIN) of the leasing company must be submitted, written on the application,
17 and can be entered into the department's titling system. The number must correspond to the name of
18 the leasing company in which the vehicle is being titled; and

19 (B) the leasing company may submit:

20 (i) a current photo identification, required under subsection (a) of this
21 section, of the lessee listed as the registrant if the lessee is an individual; otherwise, if the lessee is a
22 legal entity, a current photo identification, required under this section, of the individual who signed the
23 application for the lessee and either a letter of authorization written on the lessee's letterhead or a

1 printed business card. The printed business card or letter of authorization written on the lessee's
2 letterhead must contain the name of the individual who signed for the lessee, and the individual's name
3 must match the name on the current photo identification; or
4 (ii) a current photo identification, required under subsection (a) of this
5 section, of the employee or authorized agent who signed the application for the leasing company, and
6 the employee's or authorized agent's employee identification, letter of authorization written on the
7 lessor's letterhead, or a printed business card. The printed business card, employee identification, or
8 letter of authorization written on the lessor's letterhead must contain the name of the lessor, and the
9 employee's or authorized agent's name must match the name on the current photo identification;
10 (3) the name of a trust, then a current photo identification, required under subsection
11 (a) of this section, of a trustee, or authorized trustee representative if the trustee is a legal entity, must
12 be presented; or
13 (4) the name of a business, government entity, or organization, then:
14 (A) proof of the Federal Employer Identification Number/Employee
15 Identification Number (FEIN/EIN) of the business, government entity, or organization must be
16 submitted, written on the application, and can be entered into the department's titling system. The
17 number must correspond to the name of the business, government entity, or organization in which the
18 vehicle is being titled;
19 (B) the employee or authorized agent must present a current photo
20 identification, required under subsection (a) this section; and
21 (C) the employee's or authorized agent's employee identification; letter of
22 authorization written on the business', government entity's, or organization's letterhead; or a printed
23 business card. The printed business card, employee identification, or letter of authorization written on

1 the business', government entity's, or organization's letterhead must contain the name of the business,
2 governmental entity, or organization, and the employee's or authorized agent's name must match the
3 name on the current photo identification.

4 (d) Within this section, an identification document such as a printed business card, letter of
5 authorization, or power of attorney, may be an original or photocopy.

6 (e) A person who holds a general distinguishing number issued under Transportation Code,
7 Chapter 503 is exempt from submitting to the county tax assessor-collector, but must retain:

8 (1) the owner's identification, as required under this section; and

9 (2) authorization to sign, as required under this section.

10 (f) A person who holds a general distinguishing number issued under Transportation Code,
11 Chapter 503 is not required to submit photo identification or authorization for an employee or agent
12 signing a title assignment with a secure power of attorney.

13 (g) This section does not apply to non-titled vehicles.

14 (h) This section does not apply to:

15 (1) apportioned registration under the International Registration Plan;

16 (2) exempt vehicle registration under Transportation Code, Chapter 502, Subchapter J,
17 or Transportation Code, §502.0025; or

18 (3) registration of off-highway vehicles owned by the state, a county, or a municipality
19 under Transportation Code §502.140(c).

20
21 §217.27. Vehicle Registration Insignia.

1 (a) On receipt of a complete initial application for registration with the accompanying
2 documents and fees, the department will issue vehicle registration insignia to be displayed on or kept in
3 the vehicle for which the registration was issued for the current registration period.

4 (1) If the vehicle has a windshield, the vehicle registration insignia shall be attached to
5 the inside lower left corner of the vehicle's front windshield in a manner that will not obstruct the vision
6 of the driver, unless the vehicle is registered under Transportation Code, Chapter 504, Subchapter B-1.

7 (2) If the vehicle has no windshield, the vehicle registration insignia shall be attached to
8 the rear license plate unless the vehicle is registered under Transportation Code, Chapter 504,
9 Subchapter B-1, except that registration receipts, retained inside the vehicle, may provide the record of
10 registration for vehicles with permanent trailer plates.

11 (3) If the vehicle is registered under Transportation Code, Chapter 504, Subchapter B-1,
12 the registration receipt, symbol, tab, or other device prescribed by and issued by the department must
13 be retained with the vehicle and may provide the record of registration for vehicles with a digital license
14 plate. The expiration month and year must appear digitally on the electronic visual display of the rear
15 digital license plate.

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

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

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

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

(1) must display two license plates that are clearly visible, readable, and legible, one at the exterior front and one at the exterior rear of the vehicle that are securely fastened at the exterior front and rear of the vehicle in an upright horizontal position of not less than 12 inches from the ground, measuring from the bottom; or

(2) must display one plate that is securely fastened at or as close as practical to the exterior rear of the vehicle in a position not less than 12 inches from the ground, measuring from the bottom if the vehicle is a road tractor, motorcycle, trailer or semitrailer, except that a vehicle described by Transportation Code, §621.2061 may place the rear plate so that it is clearly visible, readable, and legible.

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

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

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

(A) vehicles registered under Transportation Code, §502.0024 and §217.54(b) of this chapter (relating to Extended Registration) may obtain a registration insignia for a period consisting of 12, 24, 36, 48 or 60 consecutive months on payment of all fees for each full year of registration;

(B) vehicles registered under Transportation Code §502.0026 may obtain registration insignia for a period consisting of 36 consecutive months on payment of all fees for each full year of registration; and

(C) vehicles may be registered for 24 consecutive months in accordance with Transportation Code, §502.044(a-1) on payment of all fees for each year of registration.

(d) The department may cancel any license plate issued with a personalized license plate number if the department subsequently determines or discovers that the personalized license plate

1 number did not comply with this section when the license plate was issued, or if due to changing
2 language usage, meaning, or interpretation, the personalized license plate number no longer complies
3 with this section. When reviewing a personalized license plate number, the department need not
4 consider the applicant's subjective intent or declared meaning. The department will not issue any
5 license plate containing a personalized license plate number that meets one or more of the following
6 criteria:

7 (1) The license plate number conflicts with the department's current or proposed
8 general issue license plate numbering system.

9 (2) The director or the director's designee finds that the personalized license plate
10 number may be considered objectionable. An objectionable license plate number may include words,
11 phrases, or slang in any language; phonetic, numeric, or reverse spelling; acronyms; patterns viewed in
12 mirror image; or code that only a small segment of the community may be able to readily decipher. An
13 objectionable pattern may be viewed as:

14 (A) indecent (defined as including a direct reference or connotation to a sexual
15 act, sexual body parts, excreta, or sexual bodily fluids or functions. Additionally, the license plate
16 number "69" is prohibited unless used with the full year (1969) or in combination with a reference to a
17 vehicle;

18 (B) vulgar, directly or indirectly (defined as profane, swear, or curse words);

19 (C) derogatory, directly or indirectly (defined as an expression that is demeaning
20 to, belittles, or disparages any person, group, race, ethnicity, nationality, gender, or sexual orientation.
21 "Derogatory" may also include a reference to an organization that advocates the expressions described
22 in this subparagraph);

(D) a direct or indirect negative instruction or command directed at another individual related to the operation of a motor vehicle;

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

(F) a direct or indirect reference to controlled substances or the physiological state produced by such substances, intoxicated states, or a direct or indirect reference that may express, describe, advertise, advocate, promote, encourage, or glorify such substances or states;

(G) a direct representation of law enforcement or other governmental entities, including any reference to a public office or position exclusive to government; or

(H) a pattern that could be misread by law enforcement.

(3) The license plate number is currently on a license plate issued to another owner.

(e) Notwithstanding the provisions of this section, the department may issue license plates with personalized license plate numbers that refer to:

(1) military branches, military rank, military units, military equipment, or status; or

(2) institutions of higher education, including military academies, whether funded privately, by the state, or by the federal government.

(f) A decision to cancel or not to issue a license plate with a personalized license plate number under subsection (d) of this section may be appealed to the executive director of the department or the executive director's designee within 20 days of notification of the cancellation or non-issuance. All appeals must be in writing, and the requesting party may include any written arguments, but shall not be entitled to a contested case hearing. The executive director or the executive director's designee will issue a decision no later than 30 days after the department receives the appeal, unless additional

1 information is sought from the requestor, in which case the time for decision is tolled until the
2 additional information is provided. The decision of the executive director or the executive director's
3 designee is final and may not be appealed to the board. An appeal to the executive director or the
4 executive director's designee is denied by operation of law 31 days from the receipt of the appeal, or if
5 the requestor does not provide additional requested information within ten days of the request.

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

8 (h) A person whose initial application has been denied will receive a refund if the denial is not
9 appealed in accordance with subsection (f) of this section. If an existing license plate with a personalized
10 license plate number has been canceled, the person may choose a new personalized license plate
11 number that will be valid for the remainder of the term, or the remaining term of the canceled license
12 plate will be forfeited.

13
14 §217.28. Vehicle Registration Renewal.

15 (a) To renew vehicle registration, a vehicle owner must apply to the tax assessor-collector of the
16 county in which the owner resides or a county tax assessor-collector who is willing to accept the
17 application.

18 (b) The department will send a registration renewal notice, indicating the proper registration fee
19 and the month and year the registration expires, to each vehicle owner prior to the expiration of the
20 vehicle's registration.

21 (c) The registration renewal notice should be returned by the vehicle owner to the county tax
22 assessor-collector in the county in which the owner resides or a county tax assessor-collector who is
23 willing to accept the application, or to that tax assessor-collector's deputy, either in person or by mail,

1 unless the vehicle owner renews via the Internet. The renewal notice must be accompanied by the
2 following documents and fees:

- 3 (1) registration renewal fees prescribed by law;
4 (2) any local fees or other fees prescribed by law and collected in conjunction with
5 registration renewal; and
6 (3) evidence of financial responsibility required by Transportation Code, §502.046,
7 unless otherwise exempted by law.

8 (d) If a registration renewal notice is lost, destroyed, or not received by the vehicle owner, the
9 vehicle may be registered if the owner presents personal identification acceptable to the county tax
10 assessor-collector or via the Internet. Failure to receive the notice does not relieve the owner of the
11 responsibility to renew the vehicle's registration.

12 (e) Renewal of expired vehicle registrations.

13 (1) If the owner has been arrested or cited for operating the vehicle without valid
14 registration then a 20% delinquency penalty is due when registration is renewed, the full annual fee will
15 be collected, and the vehicle registration expiration month will remain the same.

16 (2) If the county tax assessor-collector or the department determines that a registrant
17 has a valid reason for being delinquent in registration, the vehicle owner will be required to pay for 12
18 months' registration. Renewal will establish a new registration expiration month that will end on the last
19 day of the eleventh month following the month of registration renewal.

20 (3) If the county tax assessor-collector or the department determines that a registrant
21 does not have a valid reason for being delinquent in registration, the full annual fee will be collected and
22 the vehicle registration expiration month will remain the same.

(4) Specialty license plates, symbols, tabs, or other devices may be prorated as provided in §217.45(d)(2) of this title (relating to Specialty License Plates, Symbols, Tabs, and Other Devices).

(5) Evidence of a valid reason may include receipts, passport dates, and military orders. Valid reasons may include:

- (A) extensive repairs on the vehicle;
- (B) the person was out of the country;
- (C) the vehicle is used only for seasonal use;
- (D) military orders;
- (E) storage of the vehicle;
- (F) a medical condition such as an extended hospital stay; and
- (G) any other reason submitted with evidence that the county tax assessor-collector or the department determines is valid.

(6) The operation of a vehicle with an expired registration that has been stored or otherwise not in operation that is driven only to an inspection station for the purpose of obtaining an inspection, if applicable, required for registration, will not affect the determination of whether the registrant has a valid or invalid reason for being delinquent.

(f) For purposes of Transportation Code §502.407(c), the county tax assessor-collector's office of the county in which the owner resides is closed for a protracted period of time if the county tax assessor-collector's office has notified the department that it is closed or will be closed for more than five consecutive business days.

§217.40. Special Registrations.

(a) Purpose and scope. Transportation Code, Chapter 502, Subchapters C and I, charge the department with the responsibility of issuing special registration permits and special registration license plates, which shall be recognized as legal registration for the movement of motor vehicles not authorized to travel on Texas public highways for lack of registration or for lack of reciprocity with the state or country in which the vehicles are registered. For the department to efficiently and effectively perform these duties, this section prescribes the policies and procedures for the application and the issuance of special registration permits and special registration license plates.

(b) Permit categories. The department will issue the following categories of special registration permits.

(1) Additional weight permits in accordance with Transportation Code, §502.434.

(A) A permit will not be issued unless the registration fee for hauling the additional weight has been paid prior to the actual hauling.

(B) An applicant must provide proof of the applicant's Texas Agriculture or Timber Exemption Registration Number issued by the Texas Comptroller of Public Accounts. Proof of the registration number must be:

(i) legible;

(ii) current;

(iii) in the name of the person or dba in which the vehicle is or will be registered; and

(iv) verifiable through the online system established by the Comptroller.

(2) Annual permits in accordance with Transportation Code, §502.093.

(A) The department will issue annual permits:

1 (i) for a 12-month period designated by the department which begins
2 on the first day of a calendar month and expires on the last day of the last calendar month in that
3 annual registration period; and

4 (ii) to each vehicle or combination of vehicles for the registration fee
5 prescribed by weight classification in Transportation Code, §502.253 and §502.255.

6 (B) The following exemptions apply to vehicles displaying annual permits.

7 Currently registered foreign semitrailers having a gross weight in excess of 6,000 pounds used or to be
8 used in combination with commercial motor vehicles or truck tractors having a gross vehicle weight in
9 excess of 10,000 pounds are exempted from the requirements to pay the token fee and display the
10 associated distinguishing license plate provided for in Transportation Code, §502.255. An annual permit
11 is required for the power unit only. For vehicles registered in combination, the combined gross weight
12 may not be less than 18,000 pounds.

13 (C) Upon approval of an application, the department will issue one license plate
14 for a trailer, semitrailer, or foreign commercial motor vehicle as defined in Transportation Code,
15 §648.001(4). The license plate issued to a truck-tractor shall be installed on the front of the truck-
16 tractor. For other types of vehicles, the license plate issued shall displayed as required by §217.27(b) of
17 this title (relating to Vehicle Registration Insignia).

18 (3) 72-hour permits and 144-hour permits in accordance with Transportation Code,
19 §502.094. An applicant must provide a United States Department of Transportation (USDOT) number.

20 (c) License plate categories. The department will issue the following categories of special
21 registration license plates.

22 (1) One-trip license plates in accordance with Transportation Code, §502.095.

(A) A one-trip license plate may not be issued for a trip which both originates and terminates outside Texas.

(B) A laden motor vehicle or a laden commercial vehicle cannot display a one-trip license plate. If the vehicle is unregistered, it must operate with a 72-hour or 144-hour permit.

(C) A one-trip license plate must be displayed as required by §217.27(b) of this title (relating to Vehicle Registration Insignia).

(2) 30-day license plates in accordance with Transportation Code, §502.095.

(A) A vehicle operated on a 30-day license plate is not restricted to a specific route.

(B) A 30-day license plate must be displayed as required by §217.27(b) of this title (relating to Vehicle Registration Insignia).

(d) Application process.

(1) Procedure. An owner who wishes to apply for a special registration permit or special registration license plate for a vehicle which is otherwise required to be registered in accordance with this subchapter, must do so on a form prescribed by the department.

(2) Form requirements. The application form will at a minimum require:

(A) the signature of the owner;

(B) the name and complete address of the applicant; and

(C) the vehicle description.

(3) Fees and documentation. The application must be accompanied by:

(A) statutorily prescribed fees.

(B) evidence of financial responsibility:

1 (i) as required by Transportation Code, Chapter 502, Subchapter B,
2 provided that all policies written for the operation of motor vehicles must be issued by an insurance
3 company or surety company authorized to write motor vehicle liability insurance in Texas; or

4 (ii) if the applicant is a motor carrier as defined by §218.2 of this title
5 (relating to Definitions), indicating that the vehicle is registered in compliance with Chapter 218,
6 Subchapter B of this title (relating to Motor Carrier Registration); and

7 (C) any other documents or fees required by law.

8 (4) Place of application.

9 (A) All applications for annual permits must be submitted directly to the
10 department for processing and issuance.

11 (B) Additional weight permits may be obtained by making application with the
12 department through the county tax assessor-collectors' offices.

13 (C) 72-hour and 144-hour permits, one-trip license plates, and 30-day license
14 plates may be obtained by making application either with the department or the county tax assessor-
15 collectors' offices.

16 (e) Receipt for special registration permit or special registration license plate in lieu of
17 registration. A receipt will be issued for each special registration permit or special registration license
18 plate in lieu of registration to be carried in the vehicle during the time the special registration permit or
19 special registration license plate is valid. If the receipt is lost or destroyed, the owner must obtain a
20 duplicate from the department or from the county office. The fee for the duplicate receipt is the same
21 as the fee required by Transportation Code, §502.058.

22 (f) Transfer of special registration permits or special registration license plates.

(1) Special registration permits and special registration license plates are non-transferable between vehicles and/or owners.

(2) If the owner of a vehicle displaying a special registration permit or a special registration license plate disposes of the vehicle during the time the permit or license plate is valid, the permit or license plate must be returned to the county tax assessor-collector office or department immediately.

(g) Replacement permits. Vehicle owners displaying annual permits may obtain replacement permits if an annual permit is lost, stolen, or mutilated.

(1) The fee for a replacement annual permit is the same as for a replacement number plate, symbol, tab, or other device as provided by Transportation Code, §502.060.

(2) The owner shall apply directly to the department in writing for the issuance of a replacement annual permit. Such request should include a copy of the registration receipt and replacement fee.

(h) Agreements with other jurisdictions. In accordance with Transportation Code, §502.091, and Chapter 648, the executive director of the department may enter into a written agreement with an authorized officer of a state, province, territory, or possession of a foreign country to provide for the exemption from payment of registration fees by nonresidents, if residents of this state are granted reciprocal exemptions. The executive director may enter into such agreement only upon:

(1) the approval of the governor; and

(2) making a determination that the economic benefits to the state outweigh all other factors considered.

(i) Border commercial zones.

(1) Texas registration required. A vehicle located in a border commercial zone must display a valid Texas registration if the vehicle is owned by a person who:

(A) owns a leasing facility or a leasing terminal located in Texas; and

(B) leases the vehicle to a foreign motor carrier.

(2) Exemption for trips of short duration. Except as provided by paragraph (1) of this subsection, a foreign commercial vehicle operating in accordance with Transportation Code, Chapter 648 is exempt from the display of a temporary registration permit if:

(A) the vehicle is engaged solely in the transportation of cargo across the border into or from a border commercial zone;

(B) for each load of cargo transported the vehicle remains in this state for:

(i) not more than 24 hours; or

(ii) not more than 48 hours, if:

(I) the vehicle is unable to leave this state within 24 hours because of circumstances beyond the control of the motor carrier operating the vehicle; and

(II) all financial responsibility requirements applying to this vehicle are satisfied;

(C) the vehicle is registered and licensed as required by the country in which the person that owns the vehicle is domiciled or is a citizen as evidenced by a valid metal license plate attached to the front or rear exterior of the vehicle; and

(D) the country in which the person who owns the vehicle is domiciled or is a citizen provides a reciprocal exemption for commercial motor vehicles owned by residents of Texas.

(3) Exemption due to reciprocity agreement. Except as provided by paragraph (1) of this subsection, a foreign commercial motor vehicle in a border commercial zone in this state is exempt from

1 the requirement of obtaining a Texas registration if the vehicle is currently registered in another state of
2 the United States or a province of Canada with which this state has a reciprocity agreement that
3 exempts a vehicle that is owned by a resident of this state and that is currently registered in this state
4 from registration in the other state or province.

5
6 §217.41. Disabled Person License Plates and Disabled Parking Placards.

7 (a) Purpose. Transportation Code, Chapters 504 and 681, charge the department with the
8 responsibility for issuing specially designed license plates and disabled parking placards for disabled
9 persons. For the department to perform these duties efficiently and effectively, this section prescribes
10 the policies and procedures for the application, issuance, and renewal of disabled person license plates
11 and disabled parking placards.

12 (b) Issuance.

13 (1) For purposes of this section, "disabled person" means a person eligible for
14 issuance of a license plate bearing the International Symbol of Access under Transportation Code,
15 §504.201, including a qualifying disabled veteran under Transportation Code, §504.202(b-1) and a
16 qualifying disabled peace officer under Transportation Code, §504.2025.

17 (2) Disabled person license plates.

18 (A) Eligibility. In accordance with Transportation Code, §504.201; §504.202(b-1)
19 and (b-2); and §504.2025, the department will issue specially designed license plates displaying the
20 International Symbol of Access to permanently disabled persons or their transporters instead of general
21 issue license plates. As satisfactory proof of eligibility, an organization that transports disabled veterans
22 who would qualify for license plates issued under Transportation Code, §504.202(b-1) must provide a

1 written statement from the veteran's county service officer of the county in which a vehicle described
2 by Transportation Code, §504.202(c) is registered or by the Department of Veterans Affairs that:

3 (i) the vehicle is used exclusively to transport veterans of the United
4 States armed forces who have suffered, as a result of military service, a service-connected disability;

5 (ii) the vehicle regularly transports veterans who are eligible to receive
6 license plates under Transportation Code, §504.202(b-1); and

7 (iii) the veterans are not charged for the transportation.

8 (B) Specialty license plates. The department will issue disabled person specialty
9 license plates displaying the International Symbol of Access that can accommodate the identifying
10 insignia and that are issued in accordance with §217.43 of this title (relating to Military Specialty License
11 Plates) or §217.45 of this title (relating to Specialty License Plates, Symbols, Tabs, and Other Devices).

12 (C) License plate number. Disabled person license plates will bear a license plate
13 number assigned by the department or will bear a personalized license plate number issued in
14 accordance with §217.43 or §217.45 of this title.

15 (D) General issue license plate option for qualifying disabled veterans and
16 disabled peace officers. In accordance with Transportation Code, §504.202(h) and §504.2025(h),
17 qualifying disabled veterans and disabled peace officers may elect to receive general issue license plates
18 without paying license plate fees.

19 (3) Windshield disabled parking placards.

20 (A) Issuance. The department will issue removable windshield disabled parking
21 placards to temporarily or permanently disabled persons and to the transporters of permanently
22 disabled persons, as provided under Transportation Code, §§504.201, 504.202 (b-1) and (b-2), 504.2025,
23 and 681.004.

1 (B) Display. A person who has been issued a windshield disabled parking placard
2 shall hang the placard from a vehicle's rearview mirror when the vehicle is parked in a disabled person
3 parking space or shall display the placard on the center portion of the dashboard if the vehicle does not
4 have a rearview mirror.

5 (c) Renewal of disabled person license plates. Disabled person license plates are valid for a
6 period of 12 months from the date of issuance and are renewable as specified in §§217.28 of this title
7 (relating to Vehicle Registration Renewal), 217.43, and 217.45 of this title.

8 (d) Replacement.

9 (1) License plates. If a disabled person metal license plate is lost, stolen, or mutilated,
10 the owner may obtain a replacement metal license plate by applying with a county tax assessor-
11 collector.

12 (A) Accompanying documentation. To replace disabled person metal license
13 plates, the owner must present the current year's registration receipt and personal identification
14 acceptable to the county tax assessor-collector.

15 (B) Absence of accompanying documentation. If the current year's registration
16 receipt is not available and the county tax assessor-collector cannot verify that the disabled person
17 metal license plates were issued to the owner, the owner must reapply in accordance with this section.

18 (2) Disabled parking placards. If a disabled parking placard becomes lost, stolen, or
19 mutilated, the owner may obtain a new disabled parking placard in accordance with this section.

20 (e) Transfer of disabled person license plates and disabled parking placards.

21 (1) License plates.

22 (A) Transfer between persons. Disabled person license plates may not be
23 transferred between persons. An owner who sells or trades a vehicle to which disabled person license

plates have been issued shall remove the disabled person license plates from the vehicle. The owner shall return the license plates to the department and shall obtain appropriate replacement license plates to place on the vehicle prior to any transfer of ownership.

(B) Transfer between vehicles. Disabled person license plates may be transferred between vehicles if the county tax assessor-collector or the department can verify the plate ownership and the owner of the vehicle is a disabled person or the vehicle is used to transport a disabled person.

(i) Plate ownership verification may include:

(I) a Registration and Title System (RTS) inquiry;
(II) a copy of the department application for disabled person license plates; or
(III) the owner's current registration receipt.

(ii) An owner who sells or trades a vehicle with disabled person license plates must remove the plates from the vehicle.

(iii) The department will provide a form that persons may use to facilitate a transfer of disabled person license plates between vehicles.

(2) Disabled parking placards.

(A) Transfer between vehicles. Disabled parking placards may be displayed in any vehicle driven by the disabled person or in which the disabled person is a passenger.

(B) Transfer between persons. Disabled parking placards may not be transferred between persons.

(f) Seizure and revocation of disabled parking placard.

1 (1) If a law enforcement officer seizes and destroys a disabled parking placard under
2 Transportation Code, §681.012, the officer shall notify the department by email.

3 (2) The person to whom the seized disabled parking placard was issued may apply for a
4 new disabled parking placard by submitting an application to the county tax assessor-collector of the
5 county in which the person with the disability resides or in which the applicant is seeking medical
6 treatment.

7
8 §217.47. Vehicle Emissions Enforcement System.

9 (a) Purpose. Transportation Code, §502.047 requires the department to implement a system
10 requiring verification that a vehicle complies with vehicle emissions inspection and maintenance
11 programs as required by the Health and Safety Code, §382.202 and §382.203, and Transportation Code,
12 Chapter 548, Subchapter F. Transportation Code, §501.0276 and §502.047 requires a vehicle subject to
13 Transportation Code, §548.3011 to pass an emissions test on resale in an affected or early action
14 compact county before it is titled or registered. This section prescribes the department's policies and
15 procedures if a vehicle does not comply with the emissions standards set by federal and state laws and
16 the provisions of the Texas air quality State Implementation Plan.

17 (b) Definitions. The following words and terms, when used in this section, shall have the
18 following meanings, unless the context clearly indicates otherwise.

19 (1) Affected County--A county with a motor vehicle emissions inspection and
20 maintenance program established under Transportation Code, §548.301.

21 (2) Department--The Texas Department of Motor Vehicles.

22 (3) DPS--The Texas Department of Public Safety.

(4) Early action compact county--A participating county under Health and Safety Code, Chapter 382, Subchapter H.

(5) TCEQ--The Texas Commission on Environmental Quality.

(6) Vehicle--A self-propelled vehicle required to be registered in the state, except those vehicles exempted by TCEQ.

(7) Vehicle inspection report--A vehicle inspection form prescribed by DPS that is printed by the vehicle exhaust gas analyzer immediately following an emissions test.

(8) Vehicle emissions I/M program--A vehicle emissions inspection and maintenance program meeting all the requirements of the Environmental Protection Agency.

(9) Waiver--A form and certificate that allows a vehicle to be considered in compliance with the vehicle emissions I/M program for a specified period of time after a vehicle fails an emissions test.

(c) Notice from DPS or TCEQ.

(1) DPS, after notice to the vehicle owner, will notify the department if a motor vehicle owner fails to comply with the requirements of Transportation Code, Chapter 548, Subchapter F.

(2) TCEQ, after notice to the vehicle owner, will notify the department if a motor vehicle fails to comply with the requirements of Health and Safety Code, §382.202 and §382.203, and Transportation Code, Chapter 548, Subchapter F.

(3) The notice will include the vehicle identification number and the license plate number of the affected vehicle.

(4) If the department receives a notice of emissions noncompliance from DPS or TCEQ, the department will place a notation on the motor vehicle record that the motor vehicle has failed to comply with the vehicle emissions I/M program.

(5) If the department receives a notice of emissions compliance from DPS or TCEQ, the department will remove the non-compliance notation from the motor vehicle record.

(6) If a vehicle record contains a notation of failure to comply with the vehicle emissions I/M program, the tax assessor-collector will deny registration unless provided with:

(A) proof of compliance with the vehicle emissions I/M program with a "passing" vehicle inspection report; or

(B) proof of a waiver issued by DPS that includes the vehicle identification number and the license plate number.

(d) Vehicles moved into affected or early action compact counties. If a vehicle was last titled in an unaffected county and is to be titled or registered in an affected or early action compact county, it is not eligible for a title receipt, a title, or registration after a retail sale unless proof is presented to the county tax assessor-collector that the vehicle has passed the emissions test. This subsection does not apply to a vehicle that will be used in the affected or early action compact county for fewer than 60 days during the registration period for which registration is sought or to a vehicle that is a 1996 or newer model and has less than 50,000 miles.

§217.52. Marketing of Specialty License Plates through a Private Vendor.

(a) Purpose and scope. The department will enter into a contract with a private vendor to market department-approved specialty license plates in accordance with Transportation Code, Chapter 504, Subchapter J. This section sets out the procedure for approval of the design, purchase, and replacement of vendor specialty license plates. In this section, the license plates marketed by the vendor are referred to as vendor specialty license plates.

(b) Application for approval of vendor specialty license plate designs.

(1) Approval required. The vendor shall obtain the approval of the board for each license plate design the vendor proposes to market in accordance with this section and the contract entered into between the vendor and the department.

(2) Application. The vendor must submit a written application on a form approved by the executive director to the department for approval of each license plate design the vendor proposes to market. The application must include:

(A) a draft design of the specialty license plate;

(B) projected sales of the license plate, including an explanation of how the projected figure was determined;

(C) a marketing plan for the license plate including a description of the target market;

(D) a licensing agreement from the appropriate third party for any design or design element that is intellectual property; and

(E) other information necessary for the board to reach a decision regarding approval of the requested vendor specialty license plate.

(c) Review and approval process. The board will review vendor specialty license plate applications. The board:

(1) will not consider incomplete applications; and

(2) may request additional information from the vendor to reach a decision.

(d) Board decision.

(1) Decision. The decision of the board will be based on:

(A) compliance with Transportation Code, Chapter 504, Subchapter J;

(B) the proposed license plate design, including:

(i) whether the design meets the legibility and reflectivity standards established by the department;

(ii) whether the design meets the standards established by the department for uniqueness to ensure that the proposed license plate complies with Transportation Code, §504.852(c);

(iii) whether the license plate design can accommodate the International Symbol of Access (ISA) as required by Transportation Code, §504.201(f);

(iv) the criteria designated in §217.27 of this title (relating to Vehicle Registration Insignia) as applied to the design;

(v) whether a design is similar enough to an existing license plate design that it may compete with the existing license plate sales; and

(vi) other information provided during the application process.

(2) Public comment on proposed design. All proposed license plate designs will be considered by the board as an agenda item at a regularly or specially called open meeting. Notice of consideration of proposed license plate designs will be posted in accordance with Office of the Secretary of State meeting notice requirements. Notice of each license plate design will be posted on the department's Internet web site to receive public comment at least 25 days in advance of the meeting at which it will be considered. The department will notify all specialty license plate organizations and the sponsoring agencies who administer specialty license plates issued in accordance with Transportation Code, Chapter 504, Subchapter G, of the posting. A comment on the proposed design can be submitted in writing through the mechanism provided on the department's Internet web site for submission of comments. Written comments are welcome and must be received by the department at least 10 days in advance of the meeting. Public comment will be received at the board's meeting.

(e) Final approval and specialty license plate issuance.

(1) Approval. The board will approve or disapprove the specialty license plate application based on all of the information provided pursuant to this subchapter in an open meeting.

(2) Application not approved. If the application is not approved, the applicant may submit a new application and supporting documentation for the design to be considered again by the board if:

(A) the applicant has additional, required documentation; or

(B) the design has been altered to an acceptable degree.

(3) Issuance of approved specialty license plates.

(A) If the vendor's specialty license plate is approved, the vendor must submit the non-refundable start-up fee before any further design and processing of the specialty license plate.

(B) Approval of the specialty license plate does not guarantee that the submitted draft specialty license plate design will be used. The board has final approval of all specialty license plate designs and will provide guidance on the submitted draft design to ensure compliance with the format and specialty license plate specifications.

(f) Redesign of vendor specialty license plates.

(1) On receipt of a written request from the vendor, the department will allow a redesign of a vendor specialty license plate.

(2) The vendor must pay the redesign administrative costs as provided in the contract between the vendor and the department.

(g) Multi-year vendor specialty license plates. Purchasers will have the option of purchasing vendor specialty license plates for a one-year, a three-year, or a five-year period.

(h) License plate categories and associated fees. The categories and the associated fees for vendor specialty license plates are set out in this subsection.

(1) Custom personalized specialty license plates are non-embossed license plates personalized with up to seven alphanumeric characters on department-approved vendor designs. The fees for issuance of these license plates are \$150 for one year, \$400 for three years, and \$450 for five years.

(2) Background-only license plates are non-personalized embossed or non-embossed license plates on department-approved vendor designs.

(A) The fees for issuance of non-embossed, background-only license plates are \$50 for one year, \$130 for three years, and \$175 for five years.

(B) Except as stated in subsection (h)(6)(B) of this section, the fees for embossed, background-only license plates are \$125 for one year, \$205 for three years, and \$250 for five years.

(3) Vendor souvenir license plates. Vendor souvenir license plates are replicas of vendor specialty license plate designs that may be personalized with up to 24 alphanumeric characters. Vendor souvenir license plates are not street legal or legitimate insignias of vehicle registration. The fee for issuance of souvenir license plates is \$40.

(4) Auction. The vendor may auction department-approved license plate numbers for one, three, or five year terms with options to renew indefinitely at the current price established for a one, three, or five year custom personalized specialty category license plate. The purchaser of the auction license plate number may select from the vendor background designs, including any embossed license plate designs, at no additional charge at the time of initial issuance. The auction license plate number may be moved from one vendor design plate to another vendor design license plate as provided

1 in subsection (n)(1) of this section. The auction license plate number may be transferred from owner to
2 owner as provided in subsection (l)(2) of this section.

3 (5) Embossed, personalized specialty license plates are license plates personalized with
4 up to seven alphanumeric characters on department-approved vendor designs. Except as stated in
5 subsection (h)(4) of this section, the fees for issuance of embossed, personalized specialty license plates
6 are \$270 for one year, \$520 for three years, and \$570 for five years. Except as stated in subsection
7 (h)(6)(B) of this section, the fees under subsection (h)(6) of this section do not apply to an embossed,
8 personalized specialty license plate.

9 (6) Personalization and specialty license plate fees.

10 (A) The personalization fee for license plates applied for after November 19,
11 2009 is \$40 if the license plates are issued pursuant to Transportation Code, Chapter 504, Subchapters G
12 and I.

13 (B) If the license plates are renewed annually, the personalization and specialty
14 license plate fees remain the same fee as at the time of issuance if a sponsor of a specialty license plate
15 authorized under Transportation Code, Chapter 504, Subchapters G and I signs a contract with the
16 vendor in accordance with Transportation Code, Chapter 504, Subchapter J, even if the board approves
17 the specialty license plate to be an embossed specialty license plate design.

18 (i) Payment of fees.

19 (1) Payment of specialty license plate fees. The fees for issuance of vendor specialty
20 license plates will be paid directly to the state through vendor and state systems for the license plate
21 category and period selected by the purchaser. A person who purchases a multi-year vendor specialty
22 license plate must pay upon purchase the full fee which includes the renewal fees.

1 (2) Payment of statutory registration fees. To be valid for use on a motor vehicle, the
2 license plate owner is required to pay, in addition to the vendor specialty license plate fees, any
3 statutorily required registration fees in the amount as provided by Transportation Code, Chapter 502,
4 and this subchapter.

5 (j) Refunds. Fees for vendor specialty license plate fees will not be refunded after an application
6 is submitted to the vendor and the department has approved issuance of the license plate.

7 (k) Replacement.

8 (1) Application. An owner must apply directly to the county tax assessor-collector for the
9 issuance of replacement vendor specialty license plates and must pay the fee described in paragraphs
10 (2) or (3) of this subsection, whichever applies.

11 (2) Lost or mutilated vendor specialty license plates. To replace vendor specialty license
12 plates that are lost or mutilated, the owner must pay the statutory replacement fee provided in
13 Transportation Code, §504.007.

14 (3) Optional replacements. An owner of a vendor specialty license plate may replace
15 vendor specialty license plates by submitting a request to the county tax assessor-collector accompanied
16 by the payment of a \$6 fee.

17 (4) Interim replacement tags. If the vendor specialty license plates are lost or mutilated
18 to such an extent that they are unusable, replacement specialty license plates may be remanufactured.
19 The county tax assessor-collector will issue interim replacement tags for use until the replacements are
20 available. The owner's vendor specialty license plate number will be shown on the interim replacement
21 tags.

22 (5) Stolen vendor specialty license plates. The county tax assessor-collector will not
23 approve the issuance of replacement vendor specialty license plates with the same license plate number

1 if the department's records indicate that the vehicle displaying that license plate number was reported
2 stolen or the license plates themselves were reported stolen to law enforcement.

3 (l) Transfer of vendor specialty license plates.

4 (1) Transfer between vehicles. The owner of a vehicle with vendor specialty license
5 plates may transfer the specialty license plates between vehicles by filing an application through the
6 county tax assessor-collector if the vehicle to which the specialty license plates are transferred:

7 (A) is titled or leased in the owner's name; and

8 (B) meets the vehicle classification requirements for that specialty license plate.

9 (2) Transfer between owners. Vendor specialty license plates may not be transferred
10 between persons unless the specialty license plate number was initially purchased through auction as
11 provided in subsection (h)(4) of this section. An auctioned license plate number may be transferred as a
12 specialty license plate or as a virtual pattern to be manufactured on a new background as provided
13 under the restyle option in subsection (n)(1) of this section. In addition to the fee paid at auction, the
14 new owner of an auctioned license plate number or plate will pay the department a fee of \$25 to cover
15 the cost of the transfer, and complete the department's prescribed application at the time of transfer.

16 (m) Gift license plates.

17 (1) A person may purchase license plates as a gift for another person if the purchaser
18 submits a statement that provides:

19 (A) the purchaser's name and address;

20 (B) the name and address of the person who will receive the license plates; and

21 (C) the vehicle identification number of the vehicle on which the license plates
22 will be displayed or a statement that the license plates will not be displayed on a vehicle.

1 (2) To be valid for use on a motor vehicle, the recipient of the license plates must file an
2 application with the county tax assessor-collector and pay the statutorily required registration fees in
3 the amount as provided by Transportation Code, Chapter 502, and this subchapter.

4 (n) Restyled vendor specialty license plates. A person who has purchased a multi-year vendor
5 specialty license plate may request a restyled license plate at any time during the term of the plate.

6 (1) For the purposes of this subsection, "restyled license plate" is a vendor specialty
7 license plate that has a different style from the originally purchased vendor specialty license plate but:

8 (A) is within the same price category, except if the license plate number was
9 purchased through auction and has the same alpha-numeric characters and expiration date as the
10 previously issued multi-year license plates; or

11 (B) is restyling to an embossed specialty license plate style and has the same
12 alpha-numeric characters and expiration date as the previously issued multi-year license plates.

13 (2) The fee for each restyled license plate is:

14 (A) \$50 for restyling under subsection (n)(1)(A) of this section; or

15 (B) \$75 for restyling under subsection (n)(1)(B) of this section.

16
17 §217.54. Extended Registration.

18 (a) Extended Registration of Commercial Fleet Vehicles.

19 (1) Scope. A registrant may consolidate the registration of multiple motor vehicles in a
20 fleet instead of registering each vehicle separately. A fleet may include trailers and semitrailers. Except
21 as provided by §217.55 of this title (relating to Exempt and Alias Vehicle Registration), to consolidate
22 registration, a registration must meet the requirements of this section.

(2) Eligibility. A fleet must meet the following requirements to be eligible for fleet registration.

(A) No fewer than 12 vehicles will be registered as a fleet;

(B) Vehicles may be registered in annual increments for up to eight years;

(C) All vehicles in a fleet must be owned by or leased to the same business entity;

(D) All vehicles must be vehicles that are not registered under the International Registration Plan; and

(E) Each vehicle must currently be titled in Texas or be issued a registration receipt, or the registrant must submit an application for a title or registration for each vehicle.

(3) Application.

(A) Application for fleet registration must be in a form prescribed by the department. At a minimum the form will require:

(i) the full name and complete address of the registrant;

(ii) a description of each vehicle in the fleet, which may include the vehicle's model year, make, model, vehicle identification number, document number, body style, gross weight, empty weight, and for a commercial vehicle, manufacturer's rated carrying capacity in tons;

(iii) the existing license plate number, if any, assigned to each vehicle; and

(iv) any other information that the department may require.

(B) The application must be accompanied by the following items:

(i) in the case of a leased vehicle, a certification that the vehicle is currently leased to the person to whom the fleet registration will be issued;

(ii) registration fees prescribed by law for the entire registration period selected by the registrant;

(iii) local fees or other fees prescribed by law and collected in conjunction with registering a vehicle for the entire registration period selected by the registrant;

(iv) evidence of financial responsibility for each vehicle as required by Transportation Code, §502.046, unless otherwise exempted by law;

(v) annual proof of payment of Heavy Vehicle Use Tax;

(vi) any fees that are required to be collected at the time of registration under Transportation Code, §548.509 for the first year of registration under Transportation Code, §502.0023; and

(vii) any other documents or fees required by law.

(4) Registration period.

(A) The fleet owner will designate a single registration period for a fleet so the registration period for each vehicle will expire on the same date.

(B) The fleet registration period will begin on the first day of a calendar month and end on the last day of a calendar month.

(5) Registration receipt and fleet license plates.

(A) As evidence of registration, the department will issue a registration receipt and one or two metal fleet license plates for each vehicle in a fleet.

(B) The registration receipt for each vehicle shall at all times be carried in that vehicle and be available to law enforcement personnel upon request unless such vehicle is a token trailer with a valid, non-expiring token trailer plate pursuant to Transportation Code, §502.0023(d-1).

1 (C) A registration receipt or fleet license plate may not be transferred between
2 vehicles, owners, or registrants.

3 (6) Fleet composition.

4 (A) A registrant may add a vehicle to a fleet at any time during the registration
5 period. An added vehicle will be given the same registration period as the fleet and will be issued one or
6 two metal fleet license plates and a registration receipt.

7 (B) A registrant may remove a vehicle from a fleet at any time during the
8 registration period. After a vehicle is removed from the fleet, the fleet registrant shall either return the
9 metal fleet license plates for that vehicle to the department or provide the department with acceptable
10 proof that the metal fleet license plates for that vehicle have been destroyed. Credit for any vehicle
11 removed from the fleet for the remaining full year increments can be applied to any vehicle added to
12 the fleet or at the time of renewal. No refunds will be given if credit is not used or the account is closed.

13 (C) If the number of vehicles in an account falls below 12 during the registration
14 period, fleet registration will remain in effect. If the number of vehicles in an account is below 12 at the
15 end of the registration period, fleet registration will be canceled. In the event of cancellation, each
16 vehicle shall be registered separately. The registrant shall immediately either return all metal fleet
17 license plates to the department or provide the department with acceptable proof that the metal fleet
18 license plates have been destroyed.

19 (7) Fees.

20 (A) When a fleet is first established, the department will charge a registration
21 fee for each vehicle for the entire registration period selected. A currently registered vehicle, however,
22 will be given credit for any remaining time on its separate registration.

1 (B) When a vehicle is added to an existing fleet, the department will charge a
2 registration fee that is prorated based on the number of months of fleet registration remaining. If the
3 vehicle is currently registered, this fee will be adjusted to provide credit for the number of months of
4 separate registration remaining.

5 (C) When a vehicle is removed from fleet registration, it will be considered to be
6 registered separately. The vehicle's separate registration will expire on the date that the fleet
7 registration would have expired. The registrant must pay the statutory replacement fee to obtain
8 regular registration insignia before the vehicle may be operated on a public highway.

9 (D) In addition to the registration fees prescribed by Transportation Code,
10 Chapter 502, an owner registering a fleet under this section must pay a one-time fee of \$10 per motor
11 vehicle, semitrailer, or trailer in the fleet. This fee is also due as follows:

- 12 (i) for each vehicle added to the owner's existing fleet; and
13 (ii) for each vehicle that a buyer registers as a fleet, even though the
14 seller previously registered some or all of the vehicles as a fleet under this section.

15 (8) Payment. Payment will be made in the manner prescribed by the department.

16 (9) Cancellation.

17 (A) The department will cancel registration for non-payment and lack of proof of
18 annual payment of the Heavy Vehicle Use Tax.

19 (B) The department may cancel registration on any fleet vehicle on the
20 anniversary date of the registration if the fleet vehicle is not in compliance with the inspection
21 requirements under Transportation Code, Chapter 548 or the inspection requirements in the rules of the
22 Texas Department of Public Safety.

(C) A vehicle with a canceled registration may not be operated on a public highway.

(D) If the department cancels the registration of a vehicle under this subsection, the registrant can request the department to reinstate the registration by doing the following:

(i) complying with the requirements for which the department canceled the registration;

(ii) providing the department with notice of compliance on a form prescribed by the department; and

(iii) for a registration canceled under paragraph (2) of this subsection, paying an administrative fee in the amount of \$10.

(E) A registrant is eligible for reinstatement of the registration only within 90 calendar days of the department's notice of cancellation.

(F) If a registrant fails to timely reinstate the registration of a canceled vehicle registration under this section, the registrant:

(i) is not entitled to a credit or refund of any registration fees for the vehicle; and

(ii) must immediately either return the metal fleet license plates to the department or provide the department with acceptable proof that the metal fleet license plates have been destroyed.

(10) Inspection fee. The registrant must pay the department by the deadline listed in the department's invoice for any fees that are required to be collected at the time of registration under Transportation Code, §548.509 on an annual basis under Transportation Code, §502.0023.

(b) Extended Registration of Certain Trailers.

1 (1) Eligibility. An owner of a trailer, semitrailer, or pole trailer having an actual gross
2 weight or registered gross weight of 7,500 pounds or less may register the vehicle for an extended
3 registration period of not more than five years.

4 (2) Application.

5 (A) Application for extended registration must be on a form prescribed by the
6 department and include:

7 (i) the full name and complete address of the owner;

8 (ii) a description of the trailer, semitrailer or pole trailer, including the
9 vehicle's model year, make, model, vehicle identification number, document number, body style, gross
10 weight, and empty weight; and

11 (iii) the existing license plate number, if any, assigned to the trailer,
12 semitrailer or pole trailer.

13 (B) The application must be accompanied by the following items:

14 (i) registration fees prescribed by law for the entire registration period
15 selected by the owner;

16 (ii) local fees prescribed by law in conjunction with registering the
17 trailer, semitrailer or pole trailer for the entire registration period selected by the owner;

18 (iii) any fees that are required to be collected at the time of registration
19 under Transportation Code, §548.509 for the registration period selected by the owner under
20 Transportation Code, §502.0024;

21 (iv) the processing and handling fee under Subchapter I of this chapter
22 (relating to Processing and Handling Fees); and

(v) evidence of financial responsibility as required by Transportation

Code, §502.046, unless otherwise exempted by law.

(3) Extended Registration Period.

(A) The owner shall designate a registration period between one and five years.

(B) The registration period will begin on the first day of a calendar month and end on the last day of a calendar month.

(4) Registration receipt and license plates.

(A) As evidence of registration, the department will issue a registration insignia, registration receipt and one license plate for the trailer, semitrailer or pole trailer.

(B) A registration receipt or registration insignia may not be transferred between vehicles, owners, or registrants.

(5) Expiration of registration period.

(A) The owner must renew the extended registration prior to the end of the extended registration period.

(B) If it is not timely renewed, the extended registration shall expire.

(C) After expiration, the owner may renew the registration of the trailer, semitrailer or pole trailer as a standard annual registration, or may request to renew the registration as extended registration.

§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

1 authorized officials of other jurisdictions, including any state of the United States, the District of
2 Columbia, a foreign country, a state or province of a foreign country, or a territory or possession of
3 either the United States or of a foreign country, and to provide for the registration of vehicles by Texas
4 residents and nonresidents on an allocation or distance apportionment basis, and to grant exemptions
5 from the payment of registration fees by nonresidents if the grants are reciprocal to Texas residents-

6 (b) Definitions. The following words and terms, when used in this section, shall have the
7 following meanings, unless the context clearly indicates otherwise:

8 (1) Cab card--The apportioned vehicle registration receipt that contains, but is not
9 limited to, the vehicle description and the registered weight at which the vehicle may operate in each
10 jurisdiction.

11 (2) Department--The Texas Department of Motor Vehicles.

12 (3) Director--The director of the Motor Carrier Division, Texas Department of Motor
13 Vehicles.

14 (4) Executive director--The chief executive officer of the department.

15 (5) Temporary cab card--A temporary registration authorized by the department that
16 allows the operation of a vehicle for up to 30 days subject to all rights and privileges afforded to a
17 vehicle displaying apportioned registration. A temporary cab card expires on the earliest of the
18 following:

19 (A) 30 days after issuance; or

20 (B) when the registrant affixes the license plate(s) to the vehicle.

21
22 (c) Multilateral agreements.

1 (1) Authority. The executive director may on behalf of the department enter into a
2 multilateral agreement with the duly authorized officials of two or more other jurisdictions to carry out
3 the purpose of this section.

4 (2) International Registration Plan (IRP).

5 (A) Applicability. The IRP is a registration reciprocity agreement among states of
6 the United States and other jurisdictions providing for payment of registration fees on the basis of fleet
7 distance operated in various jurisdictions. Its purpose is to promote and encourage the fullest possible
8 use of the highway system by authorizing apportioned registration for commercial motor vehicles and
9 payment of appropriate vehicle registration fees and thus contributing to the economic development
10 and growth of the member jurisdictions.

11 (B) Adoption. The department adopts by reference the October 1, 2025, version
12 of the IRP. The department also adopts by reference the January 1, 2016, version of the IRP Audit
13 Procedures Manual. In the event of a conflict between this section and the IRP or the IRP Audit
14 Procedures Manual, the IRP and the IRP Audit Procedures Manual control. Copies of the documents are
15 available online at www.irponline.org or on request to the department.

16 (C) Application. An applicant must electronically submit an application in the
17 department's designated system for apportioned registration. In addition to providing the department
18 with the information and documents required under IRP, an applicant shall provide the department with
19 a copy of the applicant's receipt under the Unified Carrier Registration System Plan and Agreement
20 under 49 U.S.C. §14504a (UCR) to prove the applicant is currently registered under UCR if the applicant
21 is required to register under UCR.

22 (D) Issuance of Registration. Upon receipt of the applicable fees, information,
23 and documents, the department will review the application and, to the extent the vehicle is eligible for

1 apportioned registration, issue one or two license plates, a temporary cab card, and a cab card for each
2 vehicle registered.

3 (E) Display of License Plates and Cab Cards.

4 (i) The department will issue one license plate for a tractor, truck-
5 tractor, trailer, and semitrailer. The license plate issued to a tractor or a truck-tractor shall be installed
6 on the front of the tractor or truck-tractor, and the license plate issued for a trailer or semitrailer shall
7 be installed on the rear of the trailer or semitrailer.

8 (ii) The department will issue two license plates for all other vehicles
9 that are eligible to receive license plates under the IRP. Once the department issues two license plates
10 for a vehicle listed in this clause, one plate shall be installed on the front of the vehicle, and one plate
11 shall be installed on the rear of the vehicle.

12 (iii) The cab card shall be carried at all times in the vehicle in accordance
13 with the IRP. If the registrant chooses to display an electronic image of the cab card on a wireless
14 communication device or other electronic device, such display does not constitute consent for a peace
15 officer, or any other person, to access the contents of the device other than the electronic image of the
16 cab card.

17 (iv) The authority to display an electronic image of the cab card on a
18 wireless communication device or other electronic device does not prevent the Texas State Office of
19 Administrative Hearings or a court of competent jurisdiction from requiring the registrant to provide a
20 paper copy of the cab card in connection with a hearing, trial, or discovery proceeding.

21 (F) Audit. An audit of the registrant's vehicle operational records may be
22 conducted by the department according to the IRP provisions and the IRP Audit Procedures Manual.
23 Upon request, the registrant shall provide the department with operational records of each vehicle for

1 audit in any format or medium available to the registrant and accessible to the department, including,
2 but not limited to, a summary of distance traveled by each individual vehicle on a monthly, quarterly,
3 and annual basis with distance totaled separately for each jurisdiction in which the vehicle traveled.

4 (G) Assessment. The department may assess additional registration fees of up to
5 100% of the apportionable fees paid by the registrant for the registration of its fleet in the registration
6 year to which the records pertain, as authorized by the IRP, if an audit conducted under subparagraph
7 (F) of this paragraph reveals that:

8 (i) the operational records indicate that the vehicle did not generate
9 interstate distance in two or more member jurisdictions for the distance reporting period supporting the
10 application being audited, plus the six-month period immediately following that distance reporting
11 period;

12 (ii) the registrant failed to provide complete operational records; or

13 (iii) the distance must be adjusted, and the adjustment results in a
14 shortage of registration fees due Texas or any other IRP jurisdiction.

15 (H) Refunds. If an audit conducted under subparagraph (F) of this paragraph
16 reveals an overpayment of fees to Texas or any other IRP jurisdiction, the department will refund the
17 overpayment of registration fees in accordance with Transportation Code, §502.195 and the IRP. Any
18 registration fees refunded to a registrant for another jurisdiction will be deducted from registration fees
19 collected and transmitted to that jurisdiction.

20 (I) Cancellation or revocation. The director or the director's designee may cancel
21 or revoke a registrant's apportioned registration and all privileges provided by the IRP as authorized by
22 the following:

23 (i) the IRP; or

1 (ii) Transportation Code, Chapter 502.

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

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

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

license plates and privileges. The registrant has the right to appeal in accordance with clause (iii) of this subparagraph.

(iii) Appeal. If a conference held in accordance with clause (ii) of this subparagraph fails to resolve matters in the registrant's favor, the registrant may submit an appeal under §224.122 of this title (relating to Appeal of Decision Regarding Assessment, Cancellation, or Revocation Under §217.56). An appeal will be governed by Chapter 224 of this title (relating to Adjudicative Practice and Procedure) and Transportation Code, Chapter 502.

(K) Reinstatement.

(i) The director or the director's designee will reinstate apportioned registration to a previously canceled or revoked registrant if all applicable fees and assessments due on the previously canceled or revoked apportioned account have been paid and the applicant provides proof of an acceptable recordkeeping system for a period of no less than 60 days.

(ii) The application for the following registration year will be processed in accordance with the provisions of the IRP.

(L) Denial of apportioned registration for safety reasons. The department will comply with the requirements of the Performance and Registration Information Systems Management program (PRISM) administered by the Federal Motor Carrier Safety Administration (FMCSA).

(i) Denial or suspension of apportioned registration. Upon notification from the FMCSA that a carrier has been placed out of service for safety violations, the department will:

(I) deny initial issuance of apportioned registration;

(II) deny authorization for a temporary cab card;

(III) deny renewal of apportioned registration; or

(IV) suspend current apportioned registration.

(ii) Issuance after denial of registration or reinstatement of suspended registration. The director or the director's designee will reinstate or accept an initial or renewal application for apportioned registration from a registrant who was suspended or denied registration under clause (i) of this subparagraph upon presentation of a Certificate of Compliance from FMCSA, in addition to all other required documentation and payment of fees.

§217.57. Alternatively Fueled Vehicles.

The department shall collect vehicle fuel type information for motor vehicles registered in this state, including alternatively fueled vehicles, as defined by Transportation Code, §502.004.

STATUTORY AUTHORITY. The department adopts a repeal in Chapter 217 under Transportation Code §502.0021, which authorizes the department to adopt rules to administer Transportation Code Chapter 502, Registration of Vehicles; Transportation Code, §502.191, which governs the collection of fees by the department or county; Transportation Code, §502.1911, which authorizes the board to adopt rules to set registration processing and handling fees; and 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. This adopted repeal implements Transportation Code, §§502.0021, §502.191, 502.1911, and 1002.001.

Text.

§217.37. Fees.

SUBCHAPTER C. REGISTRATION AND TITLE SYSTEMS

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code §502.0021, which authorizes the department to adopt rules to administer Transportation Code, Chapter 502, Registration of Vehicles; Transportation Code, §502.059, which authorizes the department to adopt rules providing for an automated registration process; Transportation Code, §520.003, which authorizes the department to adopt rules to administer Transportation Code, Chapter 520, Miscellaneous Provisions; Transportation Code, §520.0055, which authorizes the department to mandate motor vehicle dealers use a department designated electronic system to submit title and registration application to county tax assessor-collectors for motor vehicle transactions; Transportation Code, §520.023, which authorizes the department to implement a training program providing information on the department's automated registration and titling system and require training of persons performing titling and registration services in the systems; and 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§502.0021, 502.059, 520.003, 520.0055, 520.023, and 1002.001.

Text.

§217.72. Automated Equipment for the Registration and Title System.

(a) Automated Equipment Agreement. Prior to receiving automated equipment, a county must enter into a written agreement with the department. The agreement shall:

(1) be in a form prescribed by the department;

(2) include at a minimum each of the terms and conditions specified in this section;

1 (3) be executed on behalf of the department by the executive director or, if designated
2 by the executive director, a deputy executive director or the Director of the Vehicle Titles and
3 Registration Division; and

4 (4) be approved by resolution or order of the commissioners court and executed on
5 behalf of the county by the county judge and the county tax assessor-collector.

6 (b) Initial allocation of automated equipment. When requested by resolution of the
7 commissioners court of a county, and subject to the terms and conditions specified in subsection (e) of
8 this section, the department will:

9 (1) make a fair share allocation of automated equipment available to that county to be
10 used by its county tax assessor-collector in implementing and operating RTS;

11 (2) provide the county tax assessor-collector with computer programs and personnel
12 training; and

13 (3) furnish official automated forms and, for the initial start-up of the system,
14 automated equipment supplies.

15 (c) Additional automated equipment. At the request of the county tax assessor-collector of a
16 county, subject to the terms and conditions specified in subsection (e) of this section, and for an amount
17 of consideration that will cover the department's costs, the department will enter into an agreement
18 with the commissioners court of that county under which the department will lease automated
19 equipment to that county in addition to the fair share allocation for that county. Leased equipment will
20 remain the property of the department and will be used primarily for RTS.

21 (d) Automated Registration and Titling System fee. The department will collect an additional fee
22 of \$.50 for each registration for the purposes set forth in Transportation Code, §502.356. The fee shall
23 be deposited into a subaccount in the Texas Department of Motor Vehicles fund.

1 (e) Conditions of availability.

2 (1) A county must:

3 (A) meet electrical power supply criteria specified by the department prior to
4 installation of the automated equipment;

5 (B) bear all costs incurred for 24-hour per day electrical power consumption for
6 operation of the equipment;

7 (C) provide for the physical security and protection of the equipment and shall
8 indemnify the department for any loss or damages to the equipment while in the custody and control of
9 the county;

10 (D) provide the department's maintenance personnel access to the equipment
11 during business hours of the involved county office; and

12 (E) notify the department not less than 30 working days prior to relocating or
13 adding automation equipment, or of the closing or remodeling of an office, that may affect automated
14 equipment operations.

15 (2) At the discretion of a county tax assessor-collector, automated equipment may be
16 located at sites other than those of the county tax assessor-collector, including privately owned, for-
17 profit enterprises performing registration and title functions for the county tax office. With regard to
18 equipment located at sites other than those of the county tax assessor-collector, the department's
19 responsibility will be limited to ensuring that the equipment remains operational. The county will be
20 responsible for all training, user support, forms, supplies, user policy and procedures, and other support
21 associated with this equipment.

22 (3) Automated equipment made available to a county pursuant to this section shall
23 remain the property of the department and must be used by the county tax assessor-collector for

1 operation of RTS; provided, however, that while not in RTS usage, the equipment may be utilized for
2 another statutory duty or function of that office.

3
4 §217.74. webDEALER Access, Use, and Training.

5 (a) Each county tax assessor-collector shall request access to, and accept title applications
6 submitted through, webDEALER. A county tax assessor-collector must utilize webDEALER in order to
7 accept a title application in the county as provided by subsections (b) and (c) of this section.

8 (b) Except as provided in subsection (c) of this section, a person who wishes to become a user of
9 webDEALER must contact each entity to whom they submit title applications for authorization to utilize
10 webDEALER. A user must receive authorization from each entity, including each county tax assessor-
11 collector, to whom the user submits title applications. Title applications submitted to the department
12 require the authorization by the department.

13 (c) A motor vehicle dealer who holds a general distinguishing number (holder) must contact
14 each county tax assessor-collector to whom they submit title applications for webDEALER access. The
15 county must provide the holder access. A holder must obtain access from each county to whom the user
16 submits title applications.

17 (d) A county tax assessor-collector may authorize a deputy appointed by the county tax
18 assessor-collector in accordance with subchapter H of this chapter (relating to Deputies) to utilize
19 webDEALER.

20 (e) An entity or person authorized under subsection (b) of this section may have their
21 authorization to use webDEALER revoked, rescinded, or cancelled at any time, with no notice, at the
22 discretion of a county tax assessor-collector or the department.

23 (f) When submitting a title application through webDEALER, a user must:

(1) stamp the word "SURRENDERED" across the front face and the next open assignment or reassignment space of any secure title document or other acceptable ownership evidence as determined by the department in:

(A) arial font;

(B) black ink; and

(C) a size of 1/4" height x 2 1/4" length;

(2) retain the physical document described in paragraph (1) of this subsection for a minimum of four calendar years from the date of submitting a scanned copy of the stamped title document using the webDEALER system; and

(3) submit any documents required to be submitted with the title application with a scanned resolution of at least 200 dots per inch (DPI).

(g) Required webDEALER training. Each user accessing webDEALER under the account of a holder that is described under subsection (c) and required to process title and registration transactions through webDEALER in accordance with Transportation Code, Section 520.0055, must complete webDEALER training conducted by the department. New users must complete webDEALER training before being given webDEALER permissions.

(1) Required training will include, at a minimum, training regarding transactions performed in webDEALER and proper use of the system.

(2) Failure for holders and users accessing webDEALER under the holder's account to complete the required training as outlined in this section shall result in denial of access to webDEALER.

STATUTORY AUTHORITY. The department adopts a repeal to Chapter 217 under Transportation Code, §520.003, which authorizes the department to adopt rules to administer Transportation Code, Chapter

520; and Transportation Code, §520.0093, which authorizes the department to lease automated registration and titling system equipment to a county.

CROSS REFERENCE TO STATUTE. This adopted repeal implements Transportation Code § 520.003 and §520.0093.

Text.

§217.73. Agreement Related to Automated Equipment.

SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §501.0041, which gives the department authority to adopt rules to administer Transportation Code, Chapter 501, Certificate of Title Act; Transportation Code, §501.0925, which authorizes the department to adopt rules governing the issuance of titles to insurance companies; Transportation Code, §501.097, which authorizes the department to prescribe the process and procedures for applying for nonrepairable and salvage vehicle titles; and Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§501.0041, 501.0925, 501.097, and 1002.001.

Text.

§217.83. Requirement for Nonrepairable or Salvage Vehicle Title or Nonrepairable or Salvage Record of Title.

(a) Determination of condition of vehicle.

(1) Salvage motor vehicle. When a vehicle is damaged, the actual cash value of the motor vehicle immediately before the damage and the cost of repairs shall be used to determine whether the damage is sufficient to classify the motor vehicle as a salvage motor vehicle.

(2) Nonrepairable motor vehicle. When a vehicle is damaged, the actual cash value of the motor vehicle immediately before the damage and the cost of repairs, or any method commonly used by the insurance industry, shall be used to determine whether the damage is sufficient to classify the motor vehicle as a nonrepairable motor vehicle.

(3) The actual cash value of the motor vehicle is the market value of a motor vehicle as determined:

(A) from publications commonly used by the automotive and insurance industries to establish the values of motor vehicles; or

(B) if the entity determining the value is an insurance company, by any other procedure recognized by the insurance industry, including market surveys, that is applied in a uniform manner.

(4) The cost of repairs, including parts and labor, shall be determined by:

(A) using a manual of repair costs or other instrument that is generally recognized and used in the motor vehicle industry to determine those costs; or

(B) an estimate of the actual cost of the repair parts and the estimated labor costs computed by using hourly rate and time allocations that are reasonable and commonly assessed in the repair industry in the community in which the repairs are performed.

(5) The cost of repairs does not include:

(A) the cost of:

1 (i) repairs related to gradual damage to a motor vehicle;

2 (ii) repairs related to hail damage; or

3 (iii) materials and labor for repainting or when the damage is solely to
4 the exterior paint of the motor vehicle; or

5 (B) sales tax on the total cost of repairs.

6 (b) Who must apply.

7 (1) An insurance company licensed to do business in this state that acquires ownership
8 or possession of a nonrepairable or salvage motor vehicle that is covered by a title issued by this state or
9 a manufacturer's certificate of origin shall obtain a nonrepairable or salvage vehicle title or
10 nonrepairable or salvage record of title, as provided by §217.84 of this title (relating to Application for
11 Nonrepairable or Salvage Vehicle Title or Nonrepairable or Salvage Record of Title), before selling or
12 otherwise transferring the nonrepairable or salvage motor vehicle, except as provided by subsection (c)
13 of this section.

14 (2) A salvage vehicle dealer shall obtain a Nonrepairable or Salvage Vehicle Title or
15 Nonrepairable or Salvage Record of Title, or comparable out-of-state ownership document, before
16 selling or otherwise transferring the motor vehicle, except as provided by §217.88(b) of this title
17 (relating to Sale, Transfer, or Release of Ownership of a Nonrepairable or Salvage Motor Vehicle).

18 (3) A person, other than an insurance company or salvage vehicle dealer, who acquires
19 ownership of a nonrepairable or salvage motor vehicle that has not been issued a nonrepairable vehicle
20 title, a salvage vehicle title, or a comparable out-of-state ownership document, shall obtain a
21 nonrepairable or salvage vehicle title or nonrepairable or salvage record of title, as provided by §217.84,
22 before selling or otherwise transferring the motor vehicle, unless the motor vehicle will be dismantled,
23 scrapped, or destroyed.

1 (c) Owner-retained vehicles.

2 (1) When an insurance company pays a claim on a nonrepairable or salvage motor
3 vehicle and does not acquire ownership of the motor vehicle, the company shall submit through
4 webDEALER to the department before the 31st day after the date of the payment of the claim, on a
5 form prescribed by the department, a report stating that:

6 (A) the insurance company has paid a claim on the nonrepairable or salvage
7 motor vehicle; and

8 (B) the insurance company has not acquired ownership of the nonrepairable or
9 salvage motor vehicle.

10 (2) Upon receipt of the report described in paragraph (1) of this subsection, the
11 department will place an appropriate notation on the motor vehicle record to prevent registration and
12 transfer of ownership prior to the issuance of a salvage or nonrepairable vehicle title or salvage or
13 nonrepairable record of title.

14 (3) The owner who retained the nonrepairable or salvage motor vehicle to which this
15 subsection applies shall obtain a nonrepairable or salvage vehicle title or nonrepairable or salvage
16 record of title, as provided by §217.84, before selling or otherwise transferring the nonrepairable or
17 salvage motor vehicle.

18 (4) The owner of an owner retained nonrepairable or salvage motor vehicle may not
19 operate or permit operation of the motor vehicle on a public highway, until the motor vehicle is rebuilt,
20 titled as a rebuilt salvage motor vehicle or rebuilt nonrepairable motor vehicle, if applicable, and is
21 registered in accordance with Subchapter B of this chapter.

22 (d) Self-insured vehicles. The owner of a nonrepairable or salvage motor vehicle that is self-
23 insured and that has been removed from normal operation by the owner shall apply to the department

1 for a nonrepairable or salvage vehicle title or nonrepairable or salvage record of title, as provided by
2 §217.84, before the 31st day after the damage occurred, and before selling or otherwise transferring
3 ownership of the nonrepairable or salvage motor vehicle.

4 (e) Casual sales. A salvage vehicle dealer, salvage pool operator, or insurance company that
5 acquires a nonrepairable or salvage motor vehicle shall apply to the department for a nonrepairable or
6 salvage vehicle title or nonrepairable or salvage record of title, in accordance with §217.84, prior to
7 offering the motor vehicle for sale in a casual sale.

8 (f) Export-only vehicles. A salvage vehicle dealer, including a salvage pool operator acting as
9 agent for an insurance company, or governmental entity that acquires a nonrepairable or salvage motor
10 vehicle and offers it for sale to a non-United States resident shall apply to the department for a
11 nonrepairable or salvage vehicle title, as provided by §217.84, before selling or otherwise transferring
12 the nonrepairable or salvage motor vehicle and before delivery of the nonrepairable or salvage motor
13 vehicle to the buyer. A salvage vehicle dealer or governmental entity shall maintain records of all export-
14 only nonrepairable or salvage motor vehicle sales as provided by §217.88(g).

15 (g) Voluntary application. A person who owns or acquires a motor vehicle that is not a
16 nonrepairable or salvage motor vehicle may voluntarily, and on proper application, as provided by
17 §217.84, apply for a nonrepairable or salvage vehicle title or nonrepairable or salvage record of title.

18
19 §217.84. Application for Nonrepairable or Salvage Vehicle Title or Nonrepairable or Salvage Record of
20 Title.

21 (a) Place of application. The owner of a nonrepairable or salvage motor vehicle who is required
22 to obtain or voluntarily chooses to obtain a nonrepairable or salvage vehicle title, as provided by
23 §217.83 of this title (relating to Requirement for Nonrepairable or Salvage Vehicle Title or Nonrepairable

or Salvage Record of Title), shall apply for a nonrepairable or salvage vehicle title or nonrepairable or salvage record of title by submitting an application, the required accompanying documentation, and the statutory fee to the department.

(b) Information on application. An applicant for a nonrepairable or salvage vehicle title or nonrepairable or salvage record of title shall submit an application on a form prescribed by the department. A completed form, in addition to any other information required by the department, must include:

- (1) the name and current address of the owner;
- (2) a description of the motor vehicle, including the model year, make, body style, and vehicle identification number;
- (3) a statement describing whether the motor vehicle is a nonrepairable or salvage motor vehicle;
- (4) whether the damage was caused exclusively by flood;
- (5) a description of the damage to the motor vehicle;
- (6) the odometer reading and brand, or the word "exempt" if the motor vehicle is exempt from federal and state odometer disclosure requirements, if the motor vehicle is a salvage motor vehicle;
- (7) the name and mailing address of any lienholder and the date of lien, as provided by subsection (e) of this section; and
- (8) the signature of the applicant or the applicant's authorized agent and the date the title application was signed.

(c) Accompanying documentation. A nonrepairable or salvage vehicle title or nonrepairable or salvage record of title application must be supported, at a minimum, by:

1 (1) evidence of ownership, as described by subsection (d)(1) or (3) of this section, if the
2 applicant is an insurance company that is unable to locate one or more of the owners;

3 (2) an odometer disclosure statement properly executed by the seller of the motor
4 vehicle and acknowledged by the purchaser, if the motor vehicle is less than 10 model years old and the
5 motor vehicle is a salvage motor vehicle; and

6 (3) a release of any liens.

7 (d) Evidence of nonrepairable or salvage motor vehicle ownership.

8 (1) Evidence of nonrepairable or salvage motor vehicle ownership properly assigned to
9 the applicant must accompany the application for a nonrepairable or salvage vehicle title or
10 nonrepairable or salvage record of title, except as provided by paragraph (2) of this subsection. Evidence
11 must include documentation sufficient to show ownership to the nonrepairable or salvage motor
12 vehicle, such as:

13 (A) a Texas Title;

14 (B) a certified copy of a Texas Title;

15 (C) a manufacturer's certificate of origin;

16 (D) a Texas Salvage Certificate;

17 (E) a nonrepairable vehicle title or record of title;

18 (F) a salvage vehicle title or record of title;

19 (G) a comparable ownership document issued by another jurisdiction, except
20 that if the applicant is an insurance company, evidence must be provided indicating that the insurance
21 company is:

22 (i) licensed to do business in Texas; or

(ii) not licensed to do business in Texas, but has paid a loss claim for the motor vehicle in this state; or

(H) a photocopy of the inventory receipt or a title and registration verification evidencing surrender to the department of the negotiable evidence of ownership for a motor vehicle as provided by §217.86 of this title (relating to Dismantling, Scrapping, or Destruction of Motor Vehicles), and if the evidence of ownership surrendered was from another jurisdiction, a photocopy of the front and back of the surrendered evidence of ownership.

(2) An insurance company may apply for a nonrepairable or salvage vehicle title consistent with Transportation Code, §501.0925.

(3) A salvage pool operator may apply for title consistent with Transportation Code, §501.0935.

(4) Proof of notice under Transportation Code, §501.0935 consists of:

(A) the validated receipts for registered or certified mail and return receipt or an electronic certified mail receipt, including signature receipt; and

(B) any unopened certified letters returned by the post office as unclaimed, undeliverable, or with no forwarding address.

(e) Recordation of lien on nonrepairable and salvage vehicle titles. If the motor vehicle is a salvage motor vehicle, a new lien or a currently recorded lien may be recorded on the salvage vehicle title. If the motor vehicle is a nonrepairable motor vehicle, only a currently recorded lien may be recorded on the nonrepairable vehicle title.

(f) Issuance. Upon receipt of a completed nonrepairable or salvage vehicle title application, accompanied by the statutory application fee and the required documentation, the department will,

before the sixth business day after the date of receipt, issue a nonrepairable or salvage vehicle title or nonrepairable or salvage record of title, as appropriate.

(1) If the condition of salvage is caused exclusively by flood, a "Flood Damage" notation will be reflected on the face of the document and will be carried forward upon subsequent title issuance.

(2) If a lien is recorded on a nonrepairable or salvage vehicle title, the vehicle title will be mailed to the lienholder. For proof of ownership purposes, the owner will be mailed a receipt or printout of the newly established motor vehicle record, indicating a lien has been recorded.

(3) A nonrepairable vehicle title will state on its face that the motor vehicle may:

(A) not be repaired, rebuilt, or reconstructed;

(B) not be issued a regular title or registered in this state;

(C) not be operated on a public highway; and

(D) may only be used as a source for used parts or scrap metal.

SUBCHAPTER F. MOTOR VEHICLE RECORDS

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §730.014, which authorizes the department to adopt rules to administer Transportation Code, Chapter 730, Motor Vehicle Records Disclosure Act; and 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE BY STATUTE. The adopted amendments implement Transportation Code, §§730.014, and 1002.001.

1 Text.

2 §217.122. Definitions.

3 (a) Words and terms defined in Transportation Code, Chapter 730 have the same meaning when
4 used in this subchapter, unless the context clearly indicates otherwise.

5 (b) The following words and terms, when used in this subchapter, shall have the following
6 meanings, unless the context clearly indicates otherwise.

7 (1) Department--Texas Department of Motor Vehicles.

8 (2) Requestor--A person as defined by Transportation Code, §730.003(5), this state, or
9 an agency of this state seeking personal information contained in motor vehicle records directly from
10 the department.

11 (3) Service agreement--A contractual agreement with the department that allows a
12 requestor electronic motor vehicle records.

13 (4) Written request--A request submitted in writing, including by mail, electronic mail,
14 electronic media, and facsimile transmission.

15 (5) Signature--Includes an electronic signature, as defined by Transportation Code
16 §501.172, to the extent the department accepts such electronic signature.

17 (6) Batch Inquiry--Access, under a service agreement, to department motor vehicle
18 records associated with Texas license plate numbers or vehicle identification numbers, where requests
19 are submitted electronically to the department in a prescribed batch format. The department makes a
20 disclosure for each record in a batch.

21 (7) MVInet Access--Electronic access, under a service agreement, to the department's
22 motor vehicle registration and title database, with the ability to query records by a Texas license plate

number, vehicle identification number, placard number, or current or previous document number. The department makes a disclosure each time a query of the system is made.

(8) Bulk--A disclosure by the department under Transportation Code §730.007 of at least 250 motor vehicle records containing personal information, including any of the files defined by subsection (b)(10) - (13) of this section.

(9) Bulk contract--A contractual agreement with the department for the disclosure of motor vehicle records in bulk to the requestor.

(10) Master File--A bulk file containing all the department's active and inactive registration and title records.

(11) Weekly Updates--A bulk file containing the department's new and renewed vehicle registration and title records from the previous week.

(12) Specialty Plates File--A bulk file containing Texas specialty license plate records.

(13) ePLATE file-- Three separate bulk files, one containing records of license plates a dealer has assigned to vehicles in their inventory for specific uses, one containing records of license plates issued by dealers for vehicles sold to out-of-state buyers, and one containing records related to new or updated licensed plates issued by dealers for vehicles sold to in-state buyers and vehicle transfer notifications.

(14) Dealer/Supplemental File--A pair of files, one containing records of registration and title transactions processed by dealers with the department during the previous week and another containing the dealers' information, that are only available as a supplement to a bulk contract that includes the Weekly Updates.

§217.124. Cost of Motor Vehicle Records.

(a) Standard costs. The department will charge fees in accordance with Government Code Chapter 552 and the cost rules promulgated by the Office of the Attorney General in 1 Texas Administrative Code Chapter 70 (relating to Cost of Copies of Public Information).

(b) Law enforcement. An employee of a state, federal, or local law enforcement agency is exempt from the payment of fees for motor vehicle records in subsection (c)(1) - (4) of this section if the records are necessary to carry out lawful functions of the law enforcement agency.

(c) Motor vehicle record costs:

(1) Title history - \$5.75;

(2) Certified title history - \$6.75;

(3) Title and registration verification (record search) - \$2.30; and

(4) Certified title and registration verification (record search) - \$3.30.

(d) Electronic motor vehicle records and files:

(1) Master File - \$5,000 plus \$.38 per 1,000 records;

(2) Weekly Updates - deposit of \$1,755 and \$135 per week;

(3) ePLATE file - deposit of \$845 and \$65 per week;

(4) Dealer/Supplemental File - deposit of \$1,235 and \$95 per week;

(5) Specialty Plates File - deposit of \$1,235 and \$95 per week;

(6) Batch Inquiry - deposit of \$1,000, minimum balance of \$750 and \$23 per run plus \$.12 per record;

(7) MVInet Access - deposit of \$200, minimum balance of \$150 and \$23 per month plus \$.12 per record; and

(8) Scofflaw remarks (inquiry, addition, or deletion) - deposit of \$500, minimum balance of \$350 and \$23 per run plus \$.12 per record.

(e) Texas governmental entities, as defined in Government Code §2252.001, the Texas Law Enforcement Telecommunication System, toll project entities, as defined by Transportation Code §372.001, and federal governmental entities are exempt from the payment of fees, except for the fees listed in subsection (d)(1), (6), or (8) of this section.

(f) Reciprocity agreements. The department may enter into a reciprocity agreement for records access with another governmental entity that may waive some or all of the fees established in this section.

§217.125. Additional Documentation Related to Certain Permitted Uses.

(a) The department may require a requestor to provide reasonable assurance as to the identity of the requestor and that the use of motor vehicle records is only as authorized under Transportation Code §730.012(a). Where applicable, each requestor submitting a request for motor vehicle records shall provide documentation satisfactory to the department that they are authorized to request the information on behalf of the organization, entity, or government agency authorized to receive the information.

(b) Requestors seeking personal information from motor vehicle records from the department for a permitted use listed in this subsection must submit additional documentation.

(1) A request under Transportation Code §730.007(a)(2)(B)(ii) must include proof of a complaint submitted to a law enforcement agency or a report created by a law enforcement agency describing a complaint of a motor vehicle theft that includes the year, make, model and vehicle identification number of the motor vehicle.

(2) A request under Transportation Code §730.007(a)(2)(C) must include the personal information the business is attempting to verify against the department's motor vehicle records and

1 documentation sufficient to prove the requestor is a business actively licensed by, registered with, or
2 subject to regulatory oversight by a government agency.

3 (3) A request under Transportation Code §730.007(a)(2)(D) must include proof of a legal
4 proceeding, or if no proceeding has been initiated, proof the requestor is in anticipation of litigation
5 relating to the request which would necessitate release of the document(s) requested.

6 (4) A request under Transportation Code §730.007(a)(2)(E) must include documentation
7 sufficient to prove the requestor is employed by an entity in the business of conducting research related
8 to the requested information and demonstrating the employment relationship. The department has
9 discretion in determining whether the entity is in the business of conducting research related to the
10 requested information and in determining whether the documentation provided is sufficient to
11 demonstrate an employment relationship.

12 (5) A request under Transportation Code §730.007(a)(2)(F) must include an active
13 license number provided by the Texas Department of Insurance or an active out-of-state license number
14 provided by the relevant regulatory authority, an active license number the insurance support
15 organization is working under, or proof of self-insurance.

16 (6) A request under Transportation Code §730.007(a)(2)(G) must include an active
17 license number provided by the Texas Department of Licensing and Regulation or an active out-of-state
18 license number provided by the relevant regulatory authority.

19 (7) A request under Transportation Code §730.007(a)(2)(H) must include an active
20 license number provided by the Texas Department of Public Safety or an active out-of-state license
21 number provided by the relevant regulatory authority.

22 (8) A request under Transportation Code §730.007(a)(2)(I) must include a copy of an
23 active commercial driver's license.

(9) A request under Transportation Code §730.007(a)(2)(J) must include documentation to relate the requested personal information with the operation of a toll transportation facility or another type of transportation project as described by Transportation Code §370.003.

(10) A request under Transportation Code §730.007(a)(2)(K) must include documentation on official letterhead indicating a permitted use for personal information, as defined by the Fair Credit Reporting Act (15 U.S.C. §1681 et. Seq.).

(11) A request under Transportation Code §730.007(a)(2)(L) must include an active license number of a manufacturer, dealership, or distributor issued by the department or an active out-of-state license number provided by the relevant regulatory authority.

(12) A request under Transportation Code §730.007(a)(2)(M) must include an active license or registration number of a salvage vehicle dealer, an independent motor vehicle dealer, or a wholesale motor vehicle dealer issued by the department; or an active license issued by the Texas Department of Licensing and Regulation to a used automotive parts recycler; or other proof that the requestor is subject to regulatory oversight by an entity listed in Transportation Code §730.007(a)(2)(M)(iv).

(c) The department may require a requestor to provide additional information to clarify the requestor's use of the personal information under Transportation Code Chapter 730, if the reasonable assurances provided with the request are not satisfactory to the department.

§217.126. Limitations on Redisclosure.

(a) Authorized recipients may only redisclose personal information consistent with Transportation Code §730.013.

1 (b) The department may request information regarding how a person to whom the authorized
2 recipient may redisclose personal information represents to the authorized recipient that the person has
3 a permitted use under Transportation Code §730.007.

4 (c) An authorized recipient who resold personal information from department motor vehicle
5 records prior to June 18, 2021, is subject to the limitations in this section for that resale.

6
7 217.127. Records Maintained by Recipients Who Redisclose Personal Information.

8 (a) Authorized recipients who redisclose personal information from department motor vehicle
9 records are required to maintain records of that transaction for a period not less than five years and
10 must include:

11 (1) the name and contact information of any person to whom the authorized recipient
12 redisclosed personal information from the department motor vehicle records, including both the
13 individual's name and the organization or entity with which the individual is associated, when known;

14 (2) the person's permitted use under Transportation Code §730.007 for the personal
15 information from the department motor vehicle records, and any documentation the authorized
16 recipient received related to the person's permitted use;

17 (3) the quantity of motor vehicle records redisclosed to the person under each
18 permitted use;

19 (4) a statement specifying what data was redisclosed and in what format; and

20 (5) documentation of any agreement between the authorized recipient and the person
21 to whom the authorized recipient redisclosed personal information from department motor vehicle
22 records.

(b) An authorized recipient who resold personal information from department motor vehicle records prior to June 18, 2021, must maintain records of those transactions for five years.

SUBCHAPTER G. INSPECTIONS

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §731.002, which authorizes the board to adopt rules to administer Transportation Code, Chapter 731, Assembled Vehicles; Transportation Code, §731.101, which provides that the board by rule shall establish procedures and requirements for the inspection of assembled vehicles; and Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§731.002, 731.101 and 1002.001.

Text.

§217.143. Inspection Requirements

(a) On initial titling of an assembled vehicle under Transportation Code Chapter 731, and Subchapter L of this title (relating to Assembled Vehicles), with the exception of an assembled motorcycle, assembled trailer, and glider kit, an applicant must provide proof, on a form prescribed by the department, of a safety inspection performed by a master technician.

(b) The inspection must meet the minimum requirements under Transportation Code, §731.102 to evaluate the structural integrity and proper function of the equipment.

(c) The inspector must certify that:

- 1 (1) the vehicle and equipment are structurally stable;
- 2 (2) the vehicle and equipment meet the necessary conditions to be operated safely on
- 3 the roadway;
- 4 (3) equipment used in the construction of the vehicle, for which a federal motor vehicle
- 5 safety standard exists, complies with the applicable standard; and
- 6 (4) if the vehicle is a custom vehicle or street rod, the vehicle is equipped and
- 7 operational with all equipment required by statute as a condition of sale during the year the vehicle was
- 8 manufactured or resembles.
- 9 (d) The inspection of an assembled vehicle required under subsection (a) of this section is in
- 10 addition to all other required inspections including an inspection required under Transportation Code
- 11 Chapter 548.
- 12 (e) The applicant must pay all fees to the master technician for the inspection of an assembled
- 13 vehicle required under subsection (a) of this section, including any reinspection.
- 14 (f) In addition to the fees in subsection (f) of this section, the applicant must pay all applicable
- 15 fees for other required inspections as required by law, including any applicable inspection or
- 16 reinspection required under Transportation Code Chapter 548.

17

18 **SUBCHAPTER J. PERFORMANCE QUALITY RECOGNITION PROGRAM**

19 **STATUTORY AUTHORITY.** The department adopts amendments to Chapter 217 under Transportation

20 Code, §520.003, which authorizes the department to adopt rules to administer Transportation Code

21 Chapter 520, Miscellaneous Provisions; Transportation Code, §520.004, which authorizes the

22 department by rule to establish standards for uniformity and service quality for counties; and

23 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§520.003, 520.004, and 1002.001.

Text.

§217.204. Applications.

(a) Application deadline. A county tax assessor-collector may apply for a recognition level or a higher level of recognition under the Performance Quality Recognition Program by submitting an application to the department during their term of office. The application must be received by the department or postmarked no later than October 31st.

(b) Application from a successor county tax assessor-collector. A successor county tax assessor-collector is not eligible for a recognition level until after serving as the county tax assessor-collector during an entire state fiscal year, which is September 1st through August 31st.

(c) Application for a higher level of recognition.

(1) If a county tax assessor-collector obtains a recognition level and chooses to apply for a higher level of recognition during the term of the existing recognition level, the county tax assessor-collector is not eligible to apply for a higher level until after serving as the county tax assessor-collector during an entire state fiscal year subsequent to the state fiscal year for which the existing recognition level was awarded.

(2) If the department demotes a county tax assessor-collector's recognition level, the county tax assessor-collector is not eligible to apply for a higher level of recognition until after serving as

the county tax assessor-collector during an entire state fiscal year subsequent to the state fiscal year during which the existing recognition level was demoted.

(d) Application for a recognition level after revocation of recognition level. If the department revokes a county tax assessor-collector's recognition level, the county tax assessor-collector is not eligible to apply for a recognition level until after serving as the county tax assessor-collector during an entire state fiscal year subsequent to the state fiscal year during which the recognition level was revoked.

(e) Application form. The application must be submitted on a form prescribed by the department.

(f) Signature on application. The county tax assessor-collector must sign the application.

(g) Additional information, documentation, or clarification. At the department's discretion, the department may request additional information, documentation, or clarification from the county tax assessor-collector after the department receives an application. The department shall provide the county tax assessor-collector with a deadline to respond to the request.

SUBCHAPTER L. ASSEMBLED VEHICLES

STATUTORY AUTHORITY. The department adopts amendments to Chapter 217 under Transportation Code, §731.002, which authorizes the board to adopt rules to administer Transportation Code Chapter 731, Assembled Vehicles; Transportation Code, §731.052, which provides the board by rule shall establish procedures and requirements for issuance of a title for and registration of an assembled vehicle; and 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, as well as the statutes referenced throughout this preamble.

CROSS REFERENCE TO STATUTE. The adopted amendments implement Transportation Code, §§731.002, 731.052, and 1002.001.

Text.

§217.402. Definitions.

(a) The definitions in Transportation Code §731.001, apply to this subchapter.

(b) The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Applicant--a person applying for title to an assembled vehicle who:

(A) is a hobbyist;

(B) is the owner of an assembled vehicle that has not been previously titled as an assembled vehicle; or

(C) purchased an assembled vehicle constructed and designated by the manufacturer as a replica, custom vehicle, street rod, or glider kit.

(2) Basic component part--the motor, body, and frame of an assembled vehicle, as applicable to the type of assembled vehicle. This term is a subset of "major component part" as defined in Transportation Code §501.091, but the term "basic component part" is not applicable in determining whether a vehicle qualifies as a custom vehicle or street rod under Transportation Code §504.501(f), which is the purpose of the term "major component part."

(3) Continuous sale--is offering for sale or the sale of five or more assembled vehicles of the same type in a calendar year when such vehicles are not owned and titled in the name of the owner.

(4) Manufacturer--is a person that builds an assembled vehicle and is not a hobbyist, has the meaning as defined in Occupations Code §2301.002, and is subject to the requirements of that chapter applicable to manufacturers, including sale through a franchise dealer network.

(5) Personal use--is the construction of an assembled vehicle by a hobbyist for use by the hobbyist.

(c) For purposes of this subchapter, a glider kit issued a title with a "RECONSTRUCTED" remark is a replica.

§217.404. Initial Application for Title.

(a) An applicant must submit to the department a complete application for title. The application may be submitted in person, by mail, or electronically, to the department. The application must include:

(1) photographs of the front, rear, and side of the assembled vehicle, and if a replica, a photograph of what the vehicle is a replica of;

(2) evidence of ownership of the basic component parts of the assembled vehicle as described in §217.405 of this subchapter (relating to Evidence of Ownership), as applicable to the type of assembled vehicle;

(3) if applicable, proof, on a form prescribed by the department, of a safety inspection required under §217.143 of this chapter (relating to Assembled Vehicle Inspection Requirements), and Transportation Code §731.101;

(4) if applicable, a copy of the Automobile and Light Truck certification, or a successor certification, for the master technician who completed the inspection described in paragraph (3) of this subsection;

(5) a copy of the inspection that may be required under Transportation Code Chapter 548 if the assembled vehicle is to be registered for operation on the roadway;

(6) a Rebuilt Vehicle Statement;

(7) if applicable, a weight certificate;

(8) identification as required in §217.5(d) of this chapter (relating to Evidence of Motor Vehicle Ownership); and

(9) any of the following means to establish the vehicle identification number:

(A) an Application for Assigned or Reassigned Number, and Notice of Assigned Number or Installation of Reassigned Vehicle Identification Number, on forms prescribed by the department;

(B) an Application for Assigned or Reassigned Number, establishing the vehicle identification number assigned by the manufacturer of the component part by which the assembled vehicle will be identified;

(C) acceptable proof, as established by the department, of a vehicle identification number assigned by the maker of the kit used to construct the assembled vehicle; or

(D) acceptable proof, as established by the department, of a vehicle identification number assigned by the manufacturer of the replica, custom vehicle, street rod, or glider kit.

(b) Following receipt of all information required under subsection (a) of this section, the department will review the application for completeness and to determine if the vehicle meets assembled vehicle qualifications under Transportation Code, Chapter 731.

(c) If the department determines that the application is complete and the vehicle meets assembled vehicle qualifications, the department will issue a letter to the applicant on department

1 letterhead, stating that the application is complete and that the vehicle qualifies as an assembled
2 vehicle. The letter shall include a list of the supporting documents and information identified in
3 subsection (d)(2) of this section.

4 (d) Following receipt of the department's letter described in subsection (c) of this section, the
5 applicant may then submit the letter and the completed application to the county tax assessor-collector
6 for processing. The application must include:

- 7 (1) the department-issued letter described in subsection (c) of this section;
8 (2) copies of all items required to be submitted to the department in subsection (a)(1) -
9 (9) of this section; and
10 (3) the requirements as identified in §217.23 of this chapter (relating to Initial
11 Application for Vehicle Registration) if obtaining registration.