

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

Page 1 of 1

ALL Districts

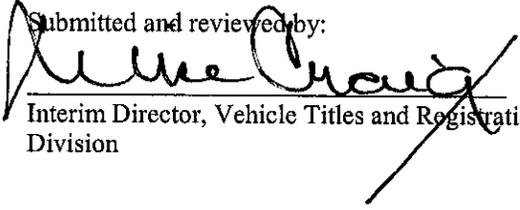
The Texas Transportation Commission (commission) finds it necessary to propose amendments to §17.2 and §17.3, §§17.21 – 17.24, §17.28, §17.30, §17.33, §17.36, §17.54, §17.61, §17.62, §17.65, §17.68, §17.72, §17.73 and §17.79, relating to vehicle titles and registration, to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed amendments, attached to this minute order as Exhibits A - F, are incorporated by reference as though set forth at length verbatim in this minute order.

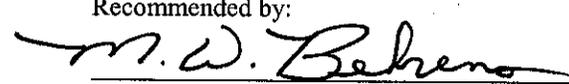
IT IS THEREFORE ORDERED by the commission that the amendments to §17.2 and §17.3, §§17.21 – 17.24, §17.28, §17.30, §17.33, §17.36, §17.54, §17.61, §17.62, §17.65, §17.68, §17.72, §17.73 and §17.79 are proposed for adoption and are authorized for publication in the *Texas Register* for the purpose of receiving public comments.

The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Submitted and reviewed by:


Interim Director, Vehicle Titles and Registration
Division

Recommended by:


Executive Director

110259 OCT 27 05

Minute
Number

Date
Passed

1 Proposed Preamble

2 The Texas Department of Transportation (department) proposes
3 amendments to §17.2 and §17.3, concerning Motor Vehicle
4 Certificates of Title, §§17.21 - 17.24, §17.28, §17.30, §17.33,
5 and §17.36, concerning Motor Vehicle Registration, §17.54,
6 concerning Automated Equipment, §17.61, §17.62, §17.65, and
7 §17.68, concerning Nonrepairable and Salvage Motor Vehicles, and
8 §17.72, §17.73 and §17.79, concerning Salvage Vehicle Dealers.

9

10 EXPLANATION OF PROPOSED AMENDMENTS

11 The 79th Legislature, 2005, passed various legislation relating
12 to motor vehicle certificates of title and registration. House
13 Bill 749 expanded the uses of vehicles displaying "Cotton
14 Vehicle" license plates to allow for transportation of chile
15 peppers and chile pepper transporting or processing equipment.
16 House Bill 988 provided that licensed motor vehicle dealers are
17 required to file applications for certificates of title in the
18 county selected by the purchaser. House Bill 1244 authorized
19 the department to issue "Classic Travel Trailer" license plates.
20 House Bill 1350 amended the definition of a "salvage motor
21 vehicle." House Bill 1646 amended the definition of "motor
22 vehicle" and the definition of "all-terrain vehicle." House
23 Bill 2894 amended the provisions relating to marketing of
24 specialty license plates through a private vendor.

25

1 The proposed rules include clarifications of current policies.
2 The department has updated procedures on destruction of valid
3 license plates, tow truck registration, vehicle verification for
4 vehicles entering the country and the transfer of vehicle
5 titles.

6
7 House Bill 2971, 78th Legislature, 2003, recodified all
8 provisions relating to issuance of specialty license plates.

9 These provisions are now codified in Transportation Code,
10 Chapter 504. Throughout the proposed rules, citations are
11 corrected to reflect the appropriate Chapter 504 citation. The
12 proposed rules also include corrections of additional citations
13 to correspond with other statutory revisions, and nonsubstantive
14 changes in language to correct terminology and enhance
15 readability.

16
17 Section 17.2(22), definition of "motor vehicle," is amended as a
18 result of the provisions of House Bill 1646 by deleting "4-
19 wheel" in relation to the number of wheels an all-terrain
20 vehicle may have.

21
22 Section 17.3(a), Certificates of Title, is amended to correct
23 statutory citations and to correct terminology. "Motor" is
24 added to correspond with terminology used in Transportation
25 Code, Chapter 501, Certificate of Title Act.

1

2 Section 17.3(b)(1), Place of application, is amended, pursuant
3 to House Bill 988, to require a licensed motor vehicle dealer to
4 file an application for certificate of title in the county in
5 which the purchaser resides, or where the vehicle is sold or
6 encumbered, as selected by the buyer.

7

8 Section 17.3(c)(3), Motor vehicles brought into the United
9 States, is amended by adding new subparagraph (B) and is
10 renumbered accordingly. New subparagraph (B) is added to
11 clarify the existing requirement for submission of a
12 verification of the vehicle identification number with an
13 application for title for a motor vehicle brought into the
14 United States. The verification must be on a form provided by
15 the department and executed by a member of the National Crime
16 Insurance Bureau, the Federal Bureau of Investigation, or a law
17 enforcement auto theft unit. The purpose of this requirement is
18 to aid in the prevention of trafficking stolen vehicles in
19 Texas.

20

21 Section 17.3(f), Department notification of second hand vehicle
22 transfers, is amended for clarification. Paragraph (2),
23 Records, is amended to clarify that the department maintains a
24 record of the information provided on the written notice of
25 transfer, but does not mark the automated motor vehicle record

1 to indicate the full name and address of the transferee.

2
3 The definition of cotton vehicle is added as §17.21(13) to
4 clarify that cotton vehicles may transport chili pepper modules
5 and equipment used in transporting or processing chili peppers,
6 as well as seed cotton, cotton, cotton burrs, or cotton
7 equipment, as added by House Bill 749. Subsequent paragraphs
8 are renumbered accordingly.

9
10 Renumbered §17.21(35), Nonprofit organization, is amended to
11 correct the citation. The Business Organizations Code becomes
12 effective January 1, 2006.

13
14 Renumbered §17.21(44), Special category license plate,
15 §17.21(45), Special category license plate fee, and §17.21(47),
16 Sponsoring entity, are amended to correct terminology. The term
17 "special category" has been changed to "specialty" throughout
18 these paragraphs and §17.30 to be consistent with terminology
19 used in Transportation Code, Chapter 504 and §17.28 of this
20 title.

21
22 Section 17.22(a), Registration, is amended to update the
23 administrative rule citation to correctly state that the
24 provisions for nonrepairable or salvage vehicle title issuance
25 and registration of nonrepairable motor vehicles is addressed in

1 Subchapter D of this chapter.

2

3 Section 17.22(b), Initial application for vehicle registration,
4 is amended to correct terminology in paragraph (2)(A) by adding
5 "nonrepairable or" in relation to registration of a motor
6 vehicle.

7

8 Section 17.22(d)(3) is also amended to change the term "must" to
9 "should" relating to the return of a license plate renewal
10 notice. Although return of the license plate renewal notice is
11 preferred, a vehicle owner may renew registration without a
12 renewal notice.

13

14 Section 17.23(c)(3)(B) is amended to state the required format
15 for evidence of financial responsibility required from a motor
16 carrier.

17

18 Section 17.24(c)(2), Application form, is amended to match
19 statutory language, by deleting the requirement for disclosure
20 of an applicant's entire driver's license or number of the
21 applicant's personal identification card, and requiring only the
22 first four digits of the number.

23

24 Section 17.28(c)(2), Number of plates issued, is amended by
25 adding new (B)(ii) to clarify that only one classic travel

1 trailer license plate will be issued to a vehicle eligible to
2 receive that license plate as a result of enactment of House
3 Bill 1244. Subsequent clauses are renumbered accordingly.

4
5 Section 17.28(e)(1)(B)(iii), Non-transferable between vehicles,
6 is amended to clarify that classic travel trailer license plates
7 issued as a result of House Bill 1244 are non-transferable
8 between vehicles. A classic travel trailer license plate is
9 issued for use only on a specific travel trailer that has met
10 the criteria provided in House Bill 1244. A new application is
11 required for each travel trailer for which a classic travel
12 trailer license plate is requested to determine eligibility for
13 the license plate. House Bill 1244 did not provide a statutory
14 exemption allowing a classic travel trailer license plate to be
15 transferred between vehicles.

16
17 Section 17.28(j), Marketing of specialty license plates through
18 a private vendor, is amended to be consistent with the language
19 of House Bill 2894. In addition to the proposed changes
20 necessary to address statutory revisions, this section is also
21 amended to clarify that a private vendor may agree to market and
22 sell existing "non-qualifying" specialty license plates only.
23 Examples of "qualifying" license plates that will not be
24 marketed or sold under the vendor contract include certain
25 military license plates, plates with restricted distribution

1 (state official, county judge), and plates that are restricted
2 to a certain type of vehicle.

3
4 Section 17.30(b)(3), Combination license plates, is amended to
5 clarify current policy by adding that a vehicle registered with
6 combination license plates is required to display only one
7 license plate on the front of the vehicle.

8
9 Section 17.30(b)(4) and(5) is amended to correct terminology and
10 to update statutory citations. The term "special category" has
11 been changed to "specialty" to be consistent with terminology
12 used in Transportation Code, Chapter 504 and §17.28 of this
13 title.

14
15 Section 17.30(b)(6), Intransit license plates, §17.30(d)(1)(A),
16 March expiration, and §17.30(f), Replacement of lost, stolen, or
17 mutilated commercial vehicle license plates, are corrected to be
18 consistent with statutory language. "Intransit" has been
19 changed to "In Transit" to be consistent with language used in
20 Transportation Code, Chapter 503, and with the legend indicated
21 on the In Transit license plate.

22
23 Section 17.30(d)(1), Registration period, is amended by adding
24 new (B)(ii) to clarify that Rental Trailer license plates will
25 be issued for a five-year period with a March 31st expiration

1 date for rental trailers that are part of a rental fleet, as
2 defined in Transportation Code, §501.166. The Rental Trailer
3 classification was previously omitted. The subsequent clause is
4 renumbered accordingly.

5
6 Section 17.30(d)(3), Return of License Plate Renewal Notice, is
7 amended to change the term "must" to "should" to be consistent
8 with the changes to §17.22(d)(3).

9
10 Section 17.30(f), Replacement of lost, stolen, or mutilated
11 commercial vehicle license plates, is amended to delete an
12 incorrect provision that replacement Tow Truck license plates
13 may not be issued. In 1997, the department began issuing
14 standard-sized tow truck license plates for registration of
15 Texas tow trucks in lieu of regular truck license plates and a
16 smaller Tow Truck tag. Prior to this date, if the smaller Tow
17 Truck tag was lost, stolen, or mutilated, the owner was required
18 to pay a \$15 fee to obtain a new, smaller Tow Truck tag since
19 the tag was not considered "registration." This section is
20 corrected to clarify that replacement Tow Truck license plates
21 may now be issued upon payment of the statutory \$5.30
22 registration replacement fee.

23
24 Section 17.33, Registration Fee Credit: Nontransferable, is
25 amended to correct the name of the division that maintains

1 registration and title records from "Motor Vehicle Division" to
2 "Vehicle Titles and Registration Division."

3
4 Section 17.36, Water Well Drilling Equipment, is amended to
5 correct the name of the licensing agency to the Texas Department
6 of Licensing and Regulation to be consistent with the provisions
7 of Occupations Code, §1902.001.

8
9 Section 17.54(c), is amended to clarify that the criteria for
10 collection of the additional fee for the automated registration
11 and title system is 50,000 "or more" annual registrations, as
12 provided for in Transportation Code §502.1705.

13
14 Section 17.54(c) is also amended by deleting the reference in
15 paragraph (2) to the "Allocation of Vehicle Registration Fees
16 report for each calendar year." Deleting this reference
17 eliminates the restriction of using only this one report. Other
18 reports are available to the department that more accurately
19 reflect the volume of registrations to identify which counties
20 meet the criteria of 50,000 or more annual registrations.

21
22 Section 17.61(19), Salvage motor vehicle, is amended to be
23 consistent with Transportation Code, §501.091, and to clarify
24 that a salvage motor vehicle includes a vehicle that is missing
25 a major component part, and that the cost of repairs does not

1 include materials and labor for repainting or sales tax on the
2 cost of the repairs, as provided for in House Bill 1350.

3
4 Section 17.62(a), Determination of condition of vehicle, is
5 reformatted and amended by adding new paragraph (5) to provide
6 new exemptions from the estimated cost of repair calculations
7 for a damaged vehicle as provided by House Bill 1350. The cost
8 of repairs does not include the costs of materials or labor for
9 repainting the motor vehicle, or sales tax on the total cost of
10 repairs.

11
12 Additionally, Subsections 17.62(a)(1), (2) and (4) are amended
13 by deleting the term "estimated" relating to the cost of repairs
14 of a damaged vehicle to be consistent with Transportation Code,
15 §501.091. House Bill 3588, passed by the 78th Legislature,
16 2003, amended the definition of "salvage motor vehicle" and
17 "nonrepairable motor vehicle." The amended definitions do not
18 include the term "estimated."

19
20 Section 17.65, Dismantling, Scrapping, or Destruction of Motor
21 Vehicles, is amended by adding new subsection (b)(2) to clarify
22 that unexpired license plates and registration validation
23 stickers removed from vehicles that are to be dismantled,
24 scrapped, or destroyed must be stored in a secure location.

25

1 Section 17.65 is also amended by adding new subsection (d) to
2 clarify current policy that provides a person may destroy
3 unexpired license plates and registration validation stickers
4 once the person receives acknowledgment from the department that
5 the department has received the surrendered evidence of
6 ownership for the applicable vehicle. Subsequent subsections
7 are renumbered accordingly.

8
9 Section 17.68(c), Fee for rebuilt salvage certificate of title,
10 is amended to correct the administrative rule citation. A \$65
11 rebuilt salvage fee must accompany an application for a Rebuilt
12 Salvage Certificate of Title unless the applicant provides the
13 written statement explained in §17.68(d)(3)(B).

14
15 Section 17.72(c)(4) is amended to correct grammar.

16
17 Section 17.73(b), Initial application, is amended by adding the
18 term "legal" to paragraphs (1)(A), (2)(A)(x), and (3)(I). This
19 change is made to clarify the current requirement that an
20 individual applicant, corporate officer or director, or an owner
21 or partner of a partnership, provide their legal name on the
22 application for a salvage vehicle dealer license. This
23 requirement is necessary in order to investigate and conduct
24 criminal background checks on applicants as provided for in
25 §17.75(a) of this chapter.

1

2 Section 17.73(b)(1), Form of application for salvage vehicle
3 dealer license, is amended by adding new subparagraph (G) to
4 clarify the current requirement that an individual applicant for
5 a salvage vehicle dealer license must include the applicant's
6 date of birth. This information is necessary to investigate and
7 conduct criminal background checks on applicants as provided for
8 in §17.75(a) of this chapter. Subsequent subparagraphs are
9 renumbered accordingly.

10

11 Section 17.79(b), Dismantled, scrapped, or destroyed motor
12 vehicle, is amended to be consistent with the changes in §17.65.

13

14 FISCAL NOTE

15 James Bass, Chief Financial Officer, has determined that for
16 each of the first five years the amendments as proposed are in
17 effect, there will be no fiscal implications for state or local
18 governments as a result of enforcing or administering the
19 amendments. There are no anticipated economic costs for persons
20 required to comply with the sections as proposed.

21

22 Mike Craig, Interim Director, Vehicle Titles and Registration,
23 has certified that there will be no significant impact on local
24 economies or overall employment as a result of enforcing or
25 administering the amendments.

1

2 PUBLIC BENEFIT

3 Mr. Craig has also determined that for each year of the first
4 five years the sections are in effect, the public benefit
5 anticipated as a result of enforcing or administering the
6 amendments will be current and accurate information regarding
7 the titling and registration statutes, titling requirements, the
8 availability of Classic Travel Trailer license plates, the
9 expanded uses of Cotton Vehicle license plates, and salvage
10 vehicle dealer licensing and duties in this state. There will
11 be no adverse economic effect on small businesses.

12

13 SUBMITTAL OF COMMENTS

14 Written comments on the proposed amendments may be submitted to
15 Mike Craig, Interim Director, Vehicle Titles and Registration
16 Division, Texas Department of Transportation, 125 East 11th
17 Street, Austin, Texas 78701-2483. The deadline for receipt of
18 comments is 5:00 p.m. on December 12, 2005.

19

20 STATUTORY AUTHORITY

21 The amendments are proposed under Transportation Code, §201.101,
22 which provides the Texas Transportation Commission (commission)
23 with the authority to establish rules for the conduct of the
24 work of the department, and more specifically, Transportation
25 Code, §501.131, which allows the department to adopt rules to

1 administer Transportation Code, Chapter 501, governing the
2 titling of motor vehicles, Transportation Code, §502.0021, which
3 authorizes the department to adopt rules governing the issuance
4 of motor vehicle registration, and Occupations Code, §2302.051,
5 which authorizes the commission to adopt rules governing salvage
6 vehicle dealers.

7

8 CROSS REFERENCE TO STATUTE: Transportation Code, Chapters 501,
9 502, and 504, and Occupations Code, Chapter 2302.

1 SUBCHAPTER A. MOTOR VEHICLE CERTIFICATES OF TITLE

2 §17.2. Definitions. The following words and terms, when used
3 in this subchapter, shall have the following meanings, unless
4 the context clearly indicates otherwise.

5 (1) Alias--The name of a vehicle owner reflected on a
6 certificate of title, when the name on the certificate of title
7 is different from the name of the legal owner of the vehicle.

8 (2) Alias certificate of title--A title document issued
9 by the department for a vehicle that is used by an exempt law
10 enforcement agency in covert criminal investigations.

11 (3) Bond release letter--Written notification from the
12 United States Department of Transportation authorizing United
13 States Customs to release the bond posted for a motor vehicle
14 imported into the United States to ensure compliance with
15 federal motor vehicle safety standards.

16 (4) Certificate of title--A written instrument that may
17 be issued solely by and under the authority of the department
18 and that reflects the transferor, transferee, vehicle
19 description, license plate and lien information, and rights of
20 survivorship agreement as specified in this subchapter or as
21 required by the department.

22 (5) Certificate of title application--A form prescribed
23 by the division director that reflects the information required

1 by the department to create a motor vehicle title record.

2 (6) Date of sale--The date of the transfer of possession
3 of a specific vehicle from a seller to a purchaser.

4 (7) Department--The Texas Department of Transportation.

5 (8) Distributor--A person engaged in the business of
6 selling to a dealer motor vehicles bought from a manufacturer.

7 (9) Division director--The director of the department's
8 Vehicle Titles and Registration Division.

9 (10) Executive administrator--The director of a federal
10 agency, the director of a Texas state agency, the sheriff of a
11 Texas county, or the chief of police of a Texas city who by law
12 possesses the authority to conduct covert criminal
13 investigations.

14 (11) Exempt agency--A governmental body exempt by law
15 from paying registration fees for motor vehicles.

16 (12) Federal motor vehicle safety standards--Motor
17 vehicle safety requirements promulgated by the United States
18 Department of Transportation, National Highway Traffic Safety
19 Administration, set forth in Title 49, Code of Federal
20 Regulations.

21 (13) First sale--A bargain, sale, transfer, or delivery
22 with intent to pass an interest, other than a lien, and
23 accompanied by registration, of a motor vehicle that has not

1 been previously registered in this state or elsewhere.

2 (14) House moving dolly--An apparatus consisting of metal
3 beams and axles used to move houses. House moving dollies, by
4 nature of their construction and use, actually form large
5 semitrailers.

6 (15) House trailer--A vehicle without automotive power
7 designed for human habitation, for carrying persons and property
8 on its own structure, and for being drawn by a motor vehicle,
9 not including manufactured housing.

10 (16) Identification certificate--A form issued by an
11 inspector of an authorized safety inspection station in
12 accordance with Transportation Code, §548.256.

13 (17) Implements of husbandry--Farm implements, machinery,
14 and tools used in tilling the soil, including self-propelled
15 machinery specifically designed or especially adapted for
16 applying plant food materials or agricultural chemicals. This
17 term does not include an implement unless it is designed or
18 adapted for the sole purpose of transporting farm materials or
19 chemicals. This term does not include any passenger car or
20 truck.

21 (18) Lien--A security interest, as defined in Business
22 and Commerce Code, §1.201(b)(35), of whatsoever kind or
23 character whereby an interest, other than an absolute title, is

1 sought to be held or given in a motor vehicle. This term
2 includes a lien created or given by constitution or statute in a
3 motor vehicle.

4 (19) Manufacturer--A person regularly engaged in the
5 business of manufacturing or assembling new motor vehicles,
6 either within this state or elsewhere.

7 (20) Manufacturer's certificate of origin--A form
8 prescribed by the department showing the original transfer of a
9 new motor vehicle from the manufacturer to the original
10 purchaser, whether importer, distributor, dealer, or owner, and
11 when presented with an application for certificate of title,
12 showing, on appropriate forms prescribed by the department, each
13 subsequent transfer between distributor and dealer, dealer and
14 dealer, and dealer and owner.

15 (21) Moped--A motor driven cycle whose attainable speed
16 is not more than 30 miles per hour and that is equipped with a
17 motor that produces not more than two-brake horsepower. If an
18 internal combustion engine is used, the piston displacement may
19 not exceed 50 cubic centimeters and the power drive system may
20 not require the operator to shift gears.

21 (22) Motor vehicle--Any motor driven or propelled vehicle
22 required to be registered under the laws of this state; a
23 trailer or semitrailer, other than manufactured housing, that

1 has a gross vehicle weight that exceeds 4,000 pounds; a house
2 trailer; an [~~a four-wheel~~] all-terrain vehicle designed by the
3 manufacturer for off-highway use that is not required to be
4 registered under the laws of this state; or a motorcycle, motor-
5 driven cycle, or moped that is not required to be registered
6 under the laws of this state, other than a motorcycle, motor-
7 driven cycle, or moped designed for and used exclusively on a
8 golf course.

9 (23) Motor vehicle importation form--A declaration form
10 prescribed by the United States Department of Transportation and
11 certified by United States Customs that relates to any motor
12 vehicle being brought into the United States and the motor
13 vehicle's compliance with federal motor vehicle safety
14 standards.

15 (24) New motor vehicle--A motor vehicle that has never
16 been the subject of a first sale either within this state or
17 elsewhere.

18 (25) Non United States standard motor vehicle--A motor
19 vehicle not manufactured in compliance with federal motor
20 vehicle safety standards.

21 (26) Obligor--An individual who is required to make
22 payments under the terms of a support order for a child.

23 (27) Owner--A person, firm, association, or corporation,

1 other than a manufacturer, importer, distributor, or dealer,
2 claiming title to a motor vehicle, or having a right to operate
3 a motor vehicle pursuant to a lien after the motor vehicle has
4 been the subject of a first sale, except the Federal Government
5 and its agencies, and except the State of Texas and a
6 governmental subdivision or agency not required by law to
7 register motor vehicles owned or used in this State.

8 (28) Person--An individual, firm, corporation, company,
9 partnership, or other entity.

10 (29) Safety certification label--A label placed on a
11 motor vehicle by a manufacturer certifying that the motor
12 vehicle complies with all federal motor vehicle safety
13 standards.

14 (30) Semitrailer--A vehicle of the trailer type having a
15 gross weight in excess of four thousand (4,000) pounds so
16 designed or used in conjunction with a motor vehicle that some
17 part of its own weight and that of its load rests on or is
18 carried by another vehicle.

19 (31) Statement of fact--A written declaration that
20 supports an application for a certificate of title, that is
21 executed by the seller of a motor vehicle or another involved
22 party to a transaction involving a motor vehicle, and that
23 clarifies an error made on a certificate of title or other

1 negotiable evidence of ownership. When a written declaration is
2 necessary to correct an odometer disclosure error, the
3 signatures of both the seller and buyer are required.

4 (32) Subsequent sale--The bargain, sale, transfer, or
5 delivery of a motor vehicle that has been previously registered
6 or licensed in this state or elsewhere, with intent to pass an
7 interest in the vehicle, other than a lien, regardless of where
8 the bargain, sale, transfer, or delivery occurs, and the
9 registration of the vehicle if registration is required under
10 the laws of this state.

11 (33) Token trailer fee--A registration fee paid for
12 certain semitrailers, meeting the qualifications delineated in
13 Transportation Code, §502.167, and used in combination with
14 truck tractors or commercial motor vehicles whose registration
15 is based on a combined gross weight.

16 (34) Trailer--Every vehicle having a gross unloaded
17 weight in excess of four thousand (4,000) pounds and designed or
18 used to carry its load wholly on its own structure and to be
19 drawn by a motor vehicle.

20 (35) Used motor vehicle--A motor vehicle that has been
21 the subject of a first sale, whether within this state or
22 elsewhere.

23 (36) Vehicle identification number--A number, assigned by

1 the manufacturer of a motor vehicle or the department, that
2 describes the motor vehicle for purposes of identification.

3 (37) Verifiable proof--Additional documentation required
4 of a vehicle owner, lienholder, or agent executing an
5 application for a certified copy of a certificate of title.

6 (A) Individual applicant. If the applicant is an
7 individual, verifiable proof consists of a copy of a current
8 photo identification issued by this state or by the United
9 States.

10 (B) Business applicant. If the applicant is a
11 business, verifiable proof consists of a letter of signature
12 authority on original letterhead, a business card, or a copy of
13 employee identification and a copy of current photo
14 identification issued by this state or by the United States.

15 (C) Power of attorney. If the applicant is a person in
16 whose favor a power of attorney has been executed by the owner
17 or lienholder, verifiable proof consists of the documentation
18 required under subparagraphs (A) or (B) of this subsection both
19 for the owner or lienholder and for the person in whose favor
20 the power of attorney is executed.

21

22 §17.3. Motor Vehicle Certificates of Title.

23 (a) Certificates of title. Unless otherwise exempted by

1 law or this chapter, the owner of any motor vehicle that is
2 required to be registered in accordance with Transportation
3 Code, Chapter 502, shall apply for a Texas certificate of title
4 in accordance with Transportation Code, Chapter 501.

5 (1) Motorcycles, motor-driven cycles, and mopeds.

6 (A) The title requirements of a motorcycle are the same
7 requirements prescribed for any motor vehicle.

8 (B) A motorcycle, motor-driven cycle, or moped designed
9 for or used exclusively on golf courses is not classified as a
10 motor vehicle and, therefore, title cannot be issued until the
11 unit is registered.

12 (C) A vehicle that meets the criteria for a moped and
13 has been certified as a moped by the Department of Public Safety
14 will be registered and titled as a moped. If the vehicle does
15 not appear on the list of certified mopeds published by that
16 agency, the vehicle will be treated as a motorcycle for title
17 and registration purposes.

18 (D) A motor installed on a bicycle must be certified by
19 the Department of Public Safety before the vehicle may be
20 classified as a moped.

21 (2) Farm vehicles.

22 (A) The term motor vehicle does not apply to implements
23 of husbandry, which may not be titled.

1 (B) Farm tractors owned by agencies exempt from
2 registration fees in accordance with Transportation Code,
3 §502.202, are required to be titled and registered with "Exempt"
4 license plates issued in accordance with Transportation Code,
5 §502.201.

6 (C) Farm tractors used as road tractors to mow rights
7 of way or used to move commodities over the highway for hire are
8 required to be registered and titled.

9 (D) Farm semitrailers with a gross weight of more than
10 4,000 pounds that are registered in accordance with
11 Transportation Code, §504.504 [~~§502.276~~], may be issued Texas
12 certificates of title.

13 (3) Exemptions from title. Vehicles registered with the
14 following distinguishing license plates may not be titled under
15 Transportation Code, Chapter 501:

16 (A) vehicles eligible for machinery license plates and
17 permit license plates in accordance with Transportation Code,
18 §504.504 [~~§502.276~~]; and

19 (B) vehicles eligible for farm trailer license plates
20 in accordance with Transportation Code, §502.163, with the
21 exception of farm semitrailers with a gross weight of more than
22 4,000 pounds as referenced in subsection (a)(2)(D) of this
23 section.

1 (4) Trailers, semitrailers, and house trailers. Owners
2 of trailers and semitrailers shall apply for and receive a Texas
3 certificate of title for any stand alone (full) trailer,
4 including homemade full trailers, having an empty weight in
5 excess of 4,000 pounds or any semitrailer having a gross weight
6 in excess of 4,000 pounds. Farm semitrailers with a gross
7 weight of more than 4,000 pounds that are registered in
8 accordance with Transportation Code, \$504.504 [~~\$502.276~~], may be
9 issued Texas certificates of title. House trailer-type vehicles
10 must meet the criteria outlined in subparagraph (C) of this
11 paragraph to be titled.

12 (A) In the absence of a manufacturer's rated carrying
13 capacity for a trailer or semitrailer, the rated carrying
14 capacity will not be less than one-third of its empty weight.

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

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

22 (i) A house trailer-type vehicle designed for living
23 quarters and that is eight body feet or more in width or forty

1 body feet or more in length (not including the hitch), is
2 classified as a mobile home and is titled under the Texas
3 Manufactured Housing Standards Act, Occupations Code, Chapter
4 1201, [~~Texas Civil Statutes, Article 5221f,~~] administered by the
5 Texas Department of Housing and Community Affairs.

6 (ii) A house trailer-type vehicle that is less than
7 eight feet in width and less than forty feet in length is
8 classified as a travel trailer and shall be registered and
9 titled.

10 (iii) A camper trailer shall be titled as a house
11 trailer and shall be registered with travel trailer license
12 plates.

13 (b) Initial application for certificate of title.

14 (1) Place of application. When motor vehicle ownership
15 is transferred, except as provided by Transportation Code,
16 Chapters 501 and 502 and by §17.63(a) [~~§17.8(a)(1)~~] of this
17 subchapter, a certificate of title application must be filed
18 with the county tax assessor-collector in the county in which
19 the applicant resides or in the county in which the motor
20 vehicle was purchased or encumbered, as selected by the
21 applicant [~~within 20 working days of the date of sale~~].

22 (2) Information to be included on application. An
23 applicant for an initial certificate of title must file an

1 application on a form prescribed by the department. The form
2 will at a minimum require the:

3 (A) motor vehicle description including, but not
4 limited to, the motor vehicle's:

5 (i) year;

6 (ii) make;

7 (iii) model;

8 (iv) identification number;

9 (v) body style;

10 (vi) manufacturer's rated carrying capacity in tons
11 for commercial motor vehicles; and

12 (vii) empty weight;

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

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

18 (D) previous owner's name and city and state of
19 residence;

20 (E) name and complete address of the applicant;

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

23 (G) signature of the seller of the motor vehicle or the

1 seller's authorized agent and the date the certificate of title
2 application was signed;

3 (H) signature of the applicant or the applicant's
4 authorized agent and the date the certificate of title
5 application was signed; and

6 (I) applicant's social security number, if the
7 application is filed in a county in which the department's
8 automated registration and title system has been implemented,
9 with the following exceptions:

10 (i) an application filed in the name of an entity
11 that does not have a social security number, or

12 (ii) an individual applicant who does not have a
13 social security number, in which case the applicant must execute
14 a statement to that effect on a form prescribed by the
15 department.

16 (3) Serial number. If no serial number is die-stamped by
17 the manufacturer on a motor vehicle, house trailer, trailer,
18 semitrailer, or item of equipment required to be titled, or if
19 the serial number assigned and die-stamped by the manufacturer
20 has been lost, removed, or obliterated, the department will on
21 proper application, presentation of evidence of ownership, and
22 presentation of evidence of a law enforcement physical
23 inspection, assign a serial number to the motor vehicle,

1 trailer, or equipment. The manufacturer's serial number or the
2 assigned serial number will be used by the department as the
3 major identification of the motor vehicle or trailer in the
4 issuance of a certificate of title.

5 (4) Accompanying documentation. The certificate of title
6 application must be supported by, at a minimum, the following
7 documents:

8 (A) evidence of vehicle ownership, as described in
9 subsection (c) of this section;

10 (B) an odometer disclosure statement properly executed
11 by the seller of the motor vehicle and acknowledged by the
12 purchaser, if applicable;

13 (C) proof of financial responsibility in the
14 applicant's name, as required by Transportation Code, §502.153,
15 unless otherwise exempted by law; and

16 (D) an identification certificate if required by
17 Transportation Code, §548.256, and Transportation Code,
18 §501.030, and if the vehicle is being titled and registered, or
19 registered only; and

20 (E) a release of any liens, provided that if any liens
21 are not released, they will be carried forward on the new
22 certificate of title application with the following limitations.

23 (i) A lien recorded on out-of-state evidence as

1 described in subsection (c) of this section cannot be carried
2 forward to a Texas title when there is a transfer of ownership,
3 unless a release of lien or authorization from the lienholder is
4 attached.

5 (ii) A lien recorded on out-of-state evidence as
6 described in subsection (c) of this section is not required to
7 be released when there is no transfer of ownership from an out-
8 of-state title and the same lienholder is being recorded on the
9 Texas application as is recorded on the out-of-state title.

10 (c) Evidence of motor vehicle ownership. Evidence of motor
11 vehicle ownership properly assigned to the applicant must
12 accompany the certificate of title application. Evidence must
13 include, but is not limited to, the following documents.

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

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

22 (i) motor vehicle description including, but not
23 limited to, the motor vehicle's year, make, model,

1 identification number, body style and empty weight;

2 (ii) the manufacturer's rated carrying capacity in
3 tons when the manufacturer's certificate of origin is invoiced
4 to a licensed Texas motor vehicle dealer and is issued for
5 commercial motor vehicles as that term is defined in
6 Transportation Code, Chapter 502; and

7 (iii) a statement identifying a motor vehicle
8 designed by the manufacturer for off-highway use only.

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

13 (2) Used motor vehicles. A certificate of title issued
14 by the department, a certificate of title issued by another
15 state if the motor vehicle was last registered and titled in
16 another state, or other evidence of ownership must be
17 relinquished in support of the certificate of title application
18 for any used motor vehicle. A letter of Title and Registration
19 verification is required from a vehicle owner coming from a
20 state that no longer titles vehicles after a certain period of
21 time.

22 (3) Motor vehicles brought into the United States. An
23 application for certificate of title for a motor vehicle last

1 registered or titled in a foreign country must be supported by
2 documents including, but not limited to, the following:

3 (A) the motor vehicle registration certificate or other
4 verification issued by a foreign country reflecting the name of
5 the applicant as the motor vehicle owner, or reflecting that
6 legal evidence of ownership has been legally assigned to the
7 applicant; [~~and~~]

8 (B) verification of the vehicle indentification number
9 of the vehicle, on a form prescribed by the department, executed
10 by a member of:

- 11 (i) the National Insurance Crime Bureau;
12 (ii) the Federal Bureau of Investigation; or
13 (iii) a law enforcement auto theft unit; and

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

18 (i) the original bond release letter with all
19 attachments advising that the motor vehicle meets federal motor
20 vehicle safety requirements or a letter issued by the USDOT,
21 National Highway Traffic Safety Administration, verifying the
22 issuance of the original bond release letter;

23 (ii) a legible copy of the motor vehicle importation

1 form validated with an original United States Customs stamp,
2 date, and signature as filed with the USDOT confirming the
3 exemption from the bond release letter required in clause (i) of
4 this subparagraph, or a copy thereof certified by United States
5 Customs;

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

10 (iv) a written confirmation that a physical
11 inspection of the safety certification label has been made by
12 the department and that the motor vehicle meets United States
13 motor vehicle safety standards;

14 (v) the original bond release letter, verification
15 thereof, or written confirmation from the previous state
16 verifying that a bond release letter issued by the USDOT was
17 relinquished to that jurisdiction, if the non United States
18 standard motor vehicle was last titled or registered in another
19 state for one year or less; or

20 (vi) verification from the vehicle manufacturer on
21 its letterhead stationary.

22 (4) Alterations to documentation. An alteration to a
23 registration receipt, certificate of title, manufacturer's

1 certificate, or other evidence of ownership constitutes a valid
2 reason for the rejection of any transaction to which altered
3 evidence is attached.

4 (A) Altered lien information on any surrendered
5 evidence of ownership requires a release from the original
6 lienholder or a statement from the proper authority of the state
7 in which the lien originated. The statement must verify the
8 correct lien information.

9 (B) A strikeover that leaves any doubt about the
10 legibility of any digit in any document will not be accepted.

11 (C) A corrected manufacturer's certificate of origin
12 will be required if the manufacturer's certificate of origin
13 contains an:

14 (i) incomplete or altered vehicle identification
15 number;

16 (ii) alteration or strikeover of the vehicle's model
17 year;

18 (iii) alteration or strikeover to the body style, or
19 omitted body style on the manufacturer's certificate of origin;
20 or

21 (iv) alteration or strikeover to the manufacturer's
22 rated carrying capacity.

23 (D) A Statement of Fact may be requested to explain

1 errors, corrections, or conditions from which doubt does or
2 could arise concerning the legality of any instrument. A
3 Statement of Fact will be required in all cases:

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

6 (ii) of alteration or erasure on a Dealer's
7 Reassignment of Title.

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

12 (d) - (e) (No change.)

13 (f) Department notification of second hand vehicle
14 transfers. A transferor of a motor vehicle may voluntarily make
15 written notification to the department of the sale of the
16 vehicle, in accordance with Transportation Code, Chapter 520,
17 Subchapter C, and this subsection.

18 (1) Notification form. The department will provide a
19 form for written notice of transfer. The form will include the:

- 20 (A) vehicle identification number of the vehicle;
21 (B) license plate number issued to the vehicle, if any;
22 (C) full name and address of the transferor;
23 (D) full name and address of the transferee;

1 (E) date the transferor delivered possession of the
2 vehicle to the transferee;

3 (F) signature of the transferor; and

4 (G) date the transferor signed the form.

5 (2) Records. On receipt of written notice of transfer
6 and a \$5.00 fee from the transferor of a motor vehicle, the
7 department will mark its records to indicate the date of
8 transfer and will maintain a record of the information provided
9 on the written notice of transfer [~~the full name and address of~~
10 ~~the transferee~~].

11 (3) Ownership of transferred vehicle. After the date of
12 the transfer of the vehicle as shown in the department records,
13 the transferee of the vehicle is rebuttably presumed to be:

14 (A) the owner of the vehicle; and

15 (B) subject to civil and criminal liability arising out
16 of the use, operation, or abandonment of the vehicle, to the
17 extent that ownership of the vehicle subjects the owner of the
18 vehicle to criminal or civil liability under another provision
19 of the law.

20 (4) Certificate of title issuance. A certificate of
21 title will not be issued in the name of a transferee until the
22 transferee files an application for the certificate of title as
23 described in this section.

1 (g) - (h) (No change.)

1 SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

2 §17.21. Definitions. The following words and terms, when used
3 in this subchapter, shall have the following meanings, unless
4 the context clearly indicates otherwise.

5 (1) Affidavit for alias exempt registration--A form
6 prescribed by the director that must be executed by an exempt
7 law enforcement agency to request the issuance of exempt
8 registration in the name of an alias.

9 (2) Agent--A duly authorized representative possessing
10 legal capacity to act for an individual or legal entity.

11 (3) Alias--The name of a vehicle registrant reflected on
12 the registration, different than the name of the legal owner of
13 the vehicle.

14 (4) Alias exempt registration--Registration issued under
15 an alias to a specific vehicle to be used in covert criminal
16 investigations by a law enforcement agency.

17 (5) Apportioned license plate--A license plate issued in
18 lieu of a truck license plate or combination license plate to a
19 motor carrier in this state who proportionally registers a
20 vehicle owned by the carrier in one or more other states.

21 (6) Axle load--The total load transmitted to the road by
22 all wheels whose centers may be included between two parallel
23 transverse vertical planes 40 inches apart, extending across the

1 full width of the vehicle.

2 (7) Border commercial zone--A commercial zone established
3 under Title 49, C.F.R., Part 372 that is contiguous to the
4 border with Mexico.

5 (8) Carrying capacity--The maximum safe load that a
6 commercial vehicle may carry, in tons, as determined by the
7 manufacturer.

8 (9) Character--A numeric or alpha symbol displayed on a
9 license plate.

10 (10) Combination license plate--A license plate issued
11 for a truck or truck tractor that has a manufacturer's rated
12 carrying capacity of more than one ton and is used or intended
13 to be used in combination with a semitrailer that has a gross
14 weight of more than 6,000 pounds.

15 (11) Commercial vehicle--Any vehicle (other than a
16 motorcycle or passenger car) designed or used primarily for the
17 transportation of property, including any passenger car that has
18 been reconstructed so as to be used, and that is being used,
19 primarily for delivery purposes, with the exception of passenger
20 cars used in the delivery of the United States mail.

21 (12) Conventional vehicle--A regular truck or regular
22 trailer that is eligible only for regular registration and that
23 is primarily designed to transport divisible loads, regardless

1 of the vehicle's present use. Vehicles that have been altered
2 or reconstructed, or on which machinery has been mounted or
3 attached, permanently or otherwise, retain their conventional
4 status.

5 (13) Cotton vehicle--A vehicle that is used only to
6 transport chili pepper modules, seed cotton, cotton, cotton
7 burrs, or equipment used in transporting or processing chili
8 peppers or cotton that is not more than 10 feet in width.

9 (14) County or city civil defense agency--An agency
10 authorized by a commissioner's court order or by a city
11 ordinance to provide protective measures and emergency relief
12 activities in the event of hostile attack, sabotage, or natural
13 disaster.

14 (15) [~~+14~~] Department--The Texas Department of
15 Transportation.

16 (16) [~~+15~~] Director--The director of the Vehicle Titles
17 and Registration Division, Texas Department of Transportation.

18 (17) [~~+16~~] Disabled person--A person who has mobility
19 problems that substantially impair the person's ability to
20 ambulate or who is legally blind.

21 (18) [~~+17~~] Electric bicycle--A device that has two
22 tandem wheels and is designed to be propelled by an electric
23 motor. An electric bicycle cannot attain a speed of more than

1 20 miles per hour without the application of human power and
2 weighs 100 pounds or less.

3 (19) [~~18~~] Escrow account--A deposit of a specific amount
4 of money held by the department for security.

5 (20) [~~19~~] Evidence of financial responsibility--The
6 original document or photocopy of any one of the following
7 items:

8 (A) a liability insurance policy or liability self-
9 insurance or pool coverage document issued in at least the
10 minimum amount required by law;

11 (B) a personal automobile insurance policy used as
12 evidence of financial responsibility, written for at least the
13 term required by the Insurance Code, Article 5.06;

14 (C) a standard proof of liability form issued by a
15 liability insurer;

16 (D) an insurance binder that confirms that the owner is
17 in compliance with the law;

18 (E) a certificate issued by the Texas Department of
19 Public Safety that shows the vehicle is covered by self-
20 insurance;

21 (F) a certificate issued by the state treasurer that
22 shows that the owner has money or securities in an amount not
23 less than \$55,000 on deposit with the state treasurer;

1 (G) a certificate issued by the Texas Department of
2 Public Safety that shows that the vehicle has a bond on file
3 with that department, that the bond is in the form and amount
4 required by law, and that the bond is guaranteed by at least two
5 individual sureties each owning real estate within this state;

6 (H) a certificate issued by the county judge in the
7 county where the owner resides showing that the owner has cash
8 or a cashier's check in an amount not less than \$55,000 on
9 deposit with the county judge.

10 (21) [~~(20)~~] Executive administrator--The director of a
11 federal agency, the director of a Texas state agency, the
12 sheriff of a Texas county, or the chief of police of a Texas
13 city that by law possesses the authority to conduct covert
14 criminal investigations.

15 (22) [~~(21)~~] Exempt agency--A governmental body exempted by
16 statute from paying registration fees when registering motor
17 vehicles.

18 (23) [~~(22)~~] Exempt license plates--Specially designated
19 license plates issued to certain vehicles owned or controlled by
20 exempt agencies.

21 (24) [~~(23)~~] Exhibition vehicle --

22 (A) An assembled complete passenger car, truck, or
23 motorcycle that:

1 (i) is a collector's item;

2 (ii) is used exclusively for exhibitions, club
3 activities, parades, and other functions of public interest;

4 (iii) does not carry advertising; and

5 (iv) has a frame, body, and motor that is at least 25
6 years old; or

7 (B) A Former Military Vehicle as defined in
8 Transportation Code, §504.502 [~~§502.275~~].

9 (25) [~~(24)~~] Fire fighting equipment--Equipment mounted on
10 fire fighting vehicles used in the process of fighting fires,
11 including, but not limited to, ladders and hoses.

12 (26) [~~(25)~~] Gross weight--The sum of the empty weight of a
13 commercial vehicle (or vehicles, if operated in combination),
14 combined with its maximum carrying capacity, rounded up to the
15 next 100 pounds.

16 (27) [~~(26)~~] Highway construction project--That section of
17 the highway between the warning signs giving notice of a
18 construction area.

19 (28) [~~(27)~~] International symbol of access--The symbol
20 adopted by Rehabilitation International in 1969 at its Eleventh
21 World Congress of Rehabilitation of the Disabled.

22 (29) [~~(28)~~] Legally blind--Having not more than 20/200
23 visual acuity in the better eye with correcting lenses, or

1 visual acuity greater than 20/200 but with a limitation in the
2 field of vision such that the widest diameter of the visual
3 field subtends an angle no greater than 20 degrees.

4 (30) [~~+29~~] Light truck--As defined in Transportation
5 Code, §541.201, any truck with a manufacturer's rated carrying
6 capacity not to exceed two thousand pounds, including those
7 trucks commonly known as pickup trucks, panel delivery trucks,
8 and carryall trucks.

9 (31) [~~+30~~] Make--The trade name of the vehicle
10 manufacturer.

11 (32) [~~+31~~] Motor bus--A motor-propelled vehicle used to
12 transport persons on public highways for compensation, other
13 than a street or suburban bus.

14 (33) [~~+32~~] Motorized mobility device--A device designed
15 for transportation of persons with physical disabilities that:

16 (A) has three or more wheels;

17 (B) is propelled by a battery-powered motor;

18 (C) has not more than one forward gear; and

19 (D) is not capable of speeds exceeding eight miles per
20 hour.

21 (34) [~~+33~~] Net carrying capacity--150 pounds multiplied
22 by the seating capacity as determined by the manufacturer's
23 rated seating capacity, exclusive of the driver's or operator's

1 seat, or in the case of a vehicle that is not rated by the
2 manufacturer, as determined by an allowance of one passenger for
3 each sixteen inches, exclusive of the driver's or operator's
4 seat.

5 (35) [~~(34)~~] Nonprofit organization--An unincorporated
6 association or society or a corporation that is incorporated or
7 holds a certificate of authority under the Business
8 Organizations Code [~~Texas Non-Profit Corporation Act, as amended~~
9 ~~(Texas Civil Statutes, Article 1396-1.01 et seq.)~~].

10 (36) [~~(35)~~] Owner--A person who holds the legal title to a
11 vehicle, has the legal right to possess a vehicle, or has the
12 legal right to control a vehicle.

13 (37) [~~(36)~~] Passenger car--In accordance with
14 Transportation Code, §502.001, any motor vehicle other than a
15 motorcycle, golf cart, or a bus, designed or used primarily for
16 the transportation of persons.

17 (38) [~~(37)~~] Political subdivision--A county, municipality,
18 local board, or other body of this state having authority to
19 provide a public service.

20 (39) [~~(38)~~] Registration period--A designated period
21 during which registration is valid. A registration period
22 always begins on the first day of a calendar month and ends on
23 the last day of a calendar month.

1 (40) [~~39~~] Rental fleet--A fleet of five or more vehicles
2 that are owned by the same owner, offered for rent or rented
3 without drivers, and designated by the owner in the manner
4 prescribed by the department as a rental fleet.

5 (41) [~~40~~] Rental trailer--A utility trailer that has a
6 gross weight of 4,000 pounds or less and is part of a rental
7 fleet.

8 (42) [~~41~~] Road tractor--A vehicle designed for the
9 purpose of mowing the right of way of a public highway or a
10 motor vehicle designed or used for drawing another vehicle or a
11 load and not constructed to carry:

12 (A) an independent load; or

13 (B) a part of the weight of the vehicle and load to be
14 drawn.

15 (43) [~~42~~] Service agreement--A contractual agreement
16 that allows individuals or businesses to access the department's
17 vehicle registration records.

18 (44) [~~43~~] Specialty [~~Special category~~] license plate--A
19 special design license plate issued by the department under
20 statutory authority.

21 (45) [~~44~~] Specialty [~~Special category~~] license plate
22 fee--Statutorily or department required fee payable on
23 submission of an application for a specialty [~~special category~~]

1 license plate, symbol, tab, or other device, and collected in
2 addition to statutory motor vehicle registration fees.

3 (46) [~~45~~] Special district--A political subdivision of
4 the state established to provide a single public service within
5 a specific geographical area.

6 (47) [~~46~~] Sponsoring entity--An institution, college,
7 university, sports team, or any other individual or group that
8 desires to support a particular specialty [~~special category~~]
9 license plate by coordinating the collection and submission of
10 the prescribed applications and associated license plate fees or
11 deposits for that particular license plate.

12 (48) [~~47~~] Street or suburban bus--A vehicle, other than
13 a passenger car, used to transport persons for compensation
14 exclusively within the limits of a municipality or a suburban
15 addition to a municipality.

16 (49) [~~48~~] Tandem axle group--Two or more axles spaced 40
17 inches or more apart from center to center having at least one
18 common point of weight suspension.

19 (50) [~~49~~] Token trailer--:

20 (A) A semitrailer that has a gross weight of more than
21 6,000 pounds and is operated in combination with a truck; or

22 (B) a truck tractor that has been issued an apportioned
23 license plate, a combination license plate, or a forestry

1 vehicle license plate.

2 (51) [~~50~~] Tow truck--A motor vehicle equipped with a
3 mechanical device adapted or used to tow, winch, or otherwise
4 move another motor vehicle.

5 (52) [~~51~~] Travel trailer--A house trailer-type vehicle
6 or a camper trailer that is less than eight feet in width or 40
7 feet in length, exclusive of any hitch installed on the vehicle,
8 and is designed primarily for use as temporary living quarters
9 in connection with recreational, camping, travel, or seasonal
10 use and not as a permanent dwelling.

11 (53) [~~52~~] Unconventional vehicle--A vehicle built
12 entirely as machinery from the ground up, that is permanently
13 designed to perform a specific function, and is not designed to
14 transport property.

15 (54) [~~53~~] Vehicle--A device in or by which a person or
16 property is or may be transported or drawn on a public highway,
17 other than a device used exclusively on stationary rails or
18 tracks.

19 (55) [~~54~~] Vehicle classification--The grouping of
20 vehicles in categories for the purpose of registration, based on
21 design, carrying capacity, or use.

22 (56) [~~55~~] Vehicle description--Information regarding a
23 specific vehicle, including, but not limited to, the vehicle

1 make, model year, body style, and vehicle identification number.

2 (57) [~~56~~] Vehicle identification number--A number
3 assigned by the manufacturer of a motor vehicle or the
4 department that describes the motor vehicle for purposes of
5 identification.

6 (58) [~~57~~] Vehicle inspection sticker--A sticker issued
7 by the Texas Department of Public Safety signifying that a
8 vehicle has passed all applicable safety and emissions tests.

9 (59) [~~58~~] Vehicle registration insignia--A license
10 plate, symbol, tab, or other device issued by the department
11 evidencing that all applicable fees have been paid for the
12 current registration period and allowing the vehicle to be
13 operated on the public highways.

14 (60) [~~59~~] Vehicle registration record--Information
15 contained in the department's files that reflects, but is not
16 limited to, the make, vehicle identification number, model year,
17 body style, license number, and the name of the registered
18 owner.

19 (61) [~~60~~] Volunteer fire department--An association that
20 is organized for the purpose of answering fire alarms,
21 extinguishing fires, and providing emergency medical services.

22

23 §17.22. Motor Vehicle Registration.

1 (a) Registration. Unless otherwise exempted by law or this
2 chapter, a vehicle to be used on the public highways of this
3 state must be registered in accordance with Transportation Code,
4 Chapter 502 and the provisions of this section. Transportation
5 Code, Chapter 501, Subchapter E and Subchapter D [~~§17.8~~] of this
6 chapter [~~title (relating to Certificates of Title for Salvage~~
7 ~~Vehicles)~~] prohibit registration of a vehicle whose owner has
8 been issued a salvage or nonrepairable vehicle title. These
9 vehicles may not be operated on a public roadway.

10 (b) Initial application for vehicle registration.

11 (1) An applicant for initial vehicle registration must
12 file an application on a form prescribed by the department. The
13 form will at a minimum require:

14 (A) the signature of the owner;

15 (B) the motor vehicle description, including, but not
16 limited to, the motor vehicle's year, make, model, vehicle
17 identification number, body style, manufacturer's rated carrying
18 capacity in tons for commercial motor vehicles, and empty
19 weight;

20 (C) the license plate number;

21 (D) the odometer reading, or the word "exempt" if the
22 motor vehicle is exempt from federal and state odometer
23 disclosure requirements;

1 (E) the name and complete address of the applicant; and

2 (F) the name, mailing address, and date of any liens.

3 (2) The application must be accompanied by the following
4 documents:

5 (A) evidence of vehicle ownership as specified in
6 Transportation Code, §501.030, unless the vehicle has been
7 issued a nonrepairable or salvage vehicle title in accordance
8 with Transportation Code, Chapter 501, Subchapter D [E];

9 (B) registration fees prescribed by law;

10 (C) any local fees or other fees prescribed by law and
11 collected in conjunction with registering a vehicle;

12 (D) evidence of financial responsibility required by
13 Transportation Code, §502.153, unless otherwise exempted by law;
14 and

15 (E) any other documents or fees required by law.

16 (3) An initial application for registration must be filed
17 with the tax assessor-collector of the county in which the owner
18 resides, except that an application for registration as a
19 prerequisite to filing an application for certificate of title
20 may also be filed with the county tax assessor-collector in the
21 county in which the motor vehicle is purchased or encumbered.

22 (4) The recorded owner of a vehicle that was last
23 registered or titled in another jurisdiction and is subject to

1 registration in this state may apply for registration if the
2 owner cannot or does not wish to relinquish the negotiable out-
3 of-state evidence of ownership to obtain a Texas certificate of
4 title. On receipt of a form prescribed by the department and
5 payment of the statutory fee for a title application and any
6 other applicable fees, the department will issue a registration
7 receipt to the applicant.

8 (A) Registration receipt. The receipt issued at the
9 time of application may serve as proof of registration and
10 evidences title to a motor vehicle for registration purposes
11 only, but may not be used to transfer any interest or ownership
12 in a motor vehicle or to establish a lien.

13 (B) Information to be included on the form. The form
14 will include the:

15 (i) out-of-state title number, if applicable;

16 (ii) out-of-state license plate number, if
17 applicable;

18 (iii) state or country that issued the out-of-state
19 title or license plate;

20 (iv) lienholder name and address as shown on the out-
21 of-state evidence, if applicable;

22 (v) statement that negotiable evidence of ownership
23 is not being surrendered; and

1 (vi) signature of the applicant or authorized agent
2 of the applicant.

3 (C) Accompanying Documentation. An application for
4 registration under this paragraph must be supported, at a
5 minimum, by:

6 (i) a completed application for registration, as
7 specified in paragraph (1) of this subsection;

8 (ii) presentation, but not surrender of, evidence
9 from another jurisdiction demonstrating that legal evidence of
10 ownership has been issued to the applicant as the motor
11 vehicle's owner, such as a validated title or registration
12 verification from the other jurisdiction, a registration
13 receipt, a non-negotiable title, or written verification from
14 the other jurisdiction; and

15 (iii) any other documents or fees required by law.

16 (D) Assignment. In instances in which the title or
17 registration receipt is assigned to the applicant, an
18 application for registration purposes only will not be
19 processed. The applicant must apply for a certificate of title
20 under Transportation Code, Chapter 501.

21 (c) Vehicle registration insignia.

22 (1) On receipt of a complete initial application for
23 registration with the accompanying documents and fees, the

1 department will issue vehicle registration insignia to be
2 displayed on the vehicle for which the registration was issued
3 for the current registration period.

4 (A) If the vehicle has a windshield, the symbol, tab,
5 or other device prescribed by and issued by the department shall
6 be attached to the inside lower left corner of the vehicle's
7 front windshield within six inches of the vehicle inspection
8 sticker in a manner that will not obstruct the vision of the
9 driver.

10 (B) If the vehicle has no windshield, the symbol, tab,
11 or other device prescribed by and issued by the department shall
12 be attached to the rear license plate.

13 (C) If the vehicle is registered as a Former Military
14 Vehicle as prescribed by Transportation Code, \$504.502
15 [~~\$502.275~~], the vehicle's registration number shall be displayed
16 instead of displaying a symbol, tab, or license plate.

17 (i) Former Military Vehicle registration numbers
18 shall be displayed on a prominent location on the vehicle in
19 numbers and letters of at least two inches in height.

20 (ii) To the extent possible, the location and design
21 of the Former Military Vehicle registration number must conform
22 to the vehicle's original military registration number.

23 (2) Unless otherwise prescribed by law, each vehicle

1 registered under this subchapter must display two license
2 plates, one at the front and one at the rear of the vehicle.

3 (3) In accordance with Transportation Code, §502.052 and
4 §502.180(e), the department will cancel or not issue any license
5 plate containing an alpha-numeric sequence that meets one or
6 more of the following criteria.

7 (A) The alpha-numeric sequence conflicts with the
8 department's current or proposed regular license plate numbering
9 system.

10 (B) The executive director finds that the alpha-numeric
11 pattern may be considered objectionable or misleading by one or
12 more members of the public for any reason, including that the
13 pattern may be viewed as having, directly or indirectly:

14 (i) a sexual connotation;

15 (ii) a vulgarity;

16 (iii) one or more words that are not generally
17 considered appropriate for all audiences, including children;

18 (iv) a derogatory reference to any individual or
19 group;

20 (v) a reference to alcohol or to illegal activities
21 or substances; or

22 (vi) a misrepresentation of a law enforcement or
23 other governmental entity.

1 (C) The alpha-numeric sequence is currently issued to
2 another owner.

3 (4) The provisions of paragraph (1) of this subsection do
4 not apply to vehicles registered with annual license plates
5 issued by the department.

6 (d) Vehicle registration renewal.

7 (1) To renew vehicle registration, a vehicle owner must
8 apply, prior to the expiration of the vehicle's registration, to
9 the tax assessor-collector of the county in which the owner
10 resides.

11 (2) The department will mail a license plate renewal
12 notice, indicating the proper registration fee and the month and
13 year the registration expires, to each vehicle owner
14 approximately six to eight weeks prior to the expiration of the
15 vehicle's registration.

16 (3) The license plate renewal notice should [~~must~~] be
17 returned by the vehicle owner to the appropriate county tax
18 assessor- collector or to the tax assessor-collector's deputy,
19 either in person or by mail. The registration renewal notice
20 may be used in connection with the renewal of registration at
21 selected county tax assessor-collector offices via the internet.
22 The renewal notice must be accompanied by the following
23 documents and fees:

1 (A) registration renewal fees prescribed by law;

2 (B) any local fees or other fees prescribed by law and
3 collected in conjunction with registration renewal; and

4 (C) evidence of financial responsibility required by
5 Transportation Code, §502.153, unless otherwise exempted by law.

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

12 (5) Renewal of expired vehicle registrations.

13 (A) In accordance with Transportation Code, §502.407, a
14 vehicle with an expired registration may not be operated on the
15 highways of the state after the fifth working day after the date
16 a vehicle registration expires.

17 (B) A 20% delinquency penalty is due when registration
18 is renewed if the owner has been arrested or cited for operating
19 the vehicle without valid registration.

20 (C) If the county tax assessor-collector determines
21 that a registrant has a valid reason for being delinquent in
22 registration, the vehicle owner will be required to pay for
23 twelve months' registration. Renewal will establish a new

1 registration expiration month that will end on the last day of
2 the eleventh month following the month of registration renewal.

3 (D) If the county tax assessor-collector determines
4 that a registrant does not have a valid reason for being
5 delinquent in registration, the full annual fee will be
6 collected and the vehicle registration expiration month will
7 remain the same.

8 (E) If a vehicle is registered in accordance with
9 Transportation Code, \$502.164, \$502.167, \$502.188, \$502.203,
10 [~~\$504.188~~] \$504.315, \$504.401, \$504.405, \$504.411, or \$504.505,
11 and if the vehicle's registration is renewed more than one month
12 after expiration of the previous registration, the registration
13 fee will be prorated.

14 (F) Any delinquent registration submitted directly to
15 the department for processing will be evaluated to verify the
16 reason for delinquency. If the department determines that a
17 registrant has a valid reason for being delinquent in
18 registration, the vehicle owner will be required to pay for 12
19 months' registration. Renewal will establish a new registration
20 expiration month that will end on the last day of the 11th month
21 following the month of registration. If the department
22 determines that a registrant does not have a valid reason for
23 being delinquent in registration, the full annual fee will be

1 collected and the vehicle registration expiration month will
2 remain the same. Valid reasons for delinquency include those
3 reasons set forth in Transportation Code, §502.176(e).

4 (6) License plate reissuance and recall program.

5 (A) The county tax assessor-collectors are authorized
6 to issue new multi-year license plates at no additional charge
7 on request by the owner at the time of registration renewal,
8 provided the current plates are over five years old.

9 (B) The county tax assessor-collectors shall issue new
10 multi-year license plates at no additional charge at the time of
11 registration renewal provided the current plates are over eight
12 years old.

13 (e) - (i) (No change)

14

15 §17.23. Temporary Registration Permits.

16 (a) Purpose and scope. Transportation Code, Chapter 502,
17 Subchapter G, charges the department with the responsibility of
18 issuing temporary registration permits which shall be recognized
19 as legal registration for the movement of motor vehicles not
20 authorized to travel on Texas public highways for lack of
21 registration or for lack of reciprocity with the state or
22 country in which the vehicles are registered. In order for the
23 department to efficiently and effectively perform these duties,

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1 this section prescribes the policies and procedures for the
2 application and the issuance of temporary registration permits.

3 (b) Permit categories. The department will issue the
4 following categories of temporary registration permits.

5 (1) Additional weight permits. The owner of a truck,
6 truck tractor, trailer, or semitrailer may purchase temporary
7 additional weight permits for the purpose of transporting the
8 owner's own seasonal agricultural products to market or other
9 points for sale or processing in accordance with Transportation
10 Code, §502.351. In addition, such vehicles may be used for the
11 transportation without charge of seasonal laborers from their
12 place of residence, and materials, tools, equipment, and
13 supplies from the place of purchase or storage, to a farm or
14 ranch exclusively for use on such farm or ranch.

15 (A) Additional weight permits are valid for a limited
16 period of less than one year.

17 (B) An additional weight permit will not be issued for
18 a period of less than one month or extend beyond the expiration
19 of a license plate issued under Transportation Code, Chapter
20 502.

21 (C) The statutory fee for an additional weight permit
22 is based on a percentage of the difference between the owner's
23 regular annual registration fee and the annual fee for the

1 desired tonnage computed as follows:

2 (i) one-month (or 30 consecutive days)--10%

3 (ii) one-quarter (three consecutive months)--30%

4 (iii) two-quarters (six consecutive months)--60%

5 (iv) three-quarters (nine consecutive months)--90%

6 (D) Additional weight permits are issued for calendar
7 quarters with the first quarter to begin on April 1st of each
8 year.

9 (E) A permit will not be issued unless the registration
10 fee for hauling the larger tonnage has been paid prior to the
11 actual hauling.

12 (F) Additional weight permits may not be issued to farm
13 licensed trailers or semitrailers.

14 (2) Annual permits:

15 (A) Transportation Code, §502.353 [~~Texas Civil~~
16 ~~Statutes, Article 6675a-6e~~], authorizes the department to issue
17 annual permits to provide for the movement of foreign commercial
18 vehicles that are not authorized to travel on Texas highways for
19 lack of registration or for lack of reciprocity with the state
20 or country in which the vehicles are registered. The department
21 will issue annual permits:

22 (i) for a 12-month period designated by the
23 department which begins on the first day of a calendar month and

1 expires on the last day of the last calendar month in that
2 annual registration period; and

3 (ii) to each vehicle or combination of vehicles for
4 the registration fee prescribed by weight classification in
5 Transportation Code, §502.162 and §502.167.

6 (B) The department will not issue annual permits for
7 the importation of citrus fruit into Texas from a foreign
8 country except for foreign export or processing for foreign
9 export.

10 (C) The following exemptions apply to vehicles
11 displaying annual permits.

12 (i) Registered foreign semitrailers having gross
13 weights in excess of 6,000 pounds used or to be used in
14 combination with truck tractors or commercial motor vehicles
15 with manufacturer's rated carrying capacities in excess of one
16 ton are exempted from the requirement to pay the token fee and
17 display the associated distinguishing license plate provided for
18 in Transportation Code, §502.167. An annual permit is required
19 for the power unit only.

20 (ii) Vehicles registered with annual permits are not
21 subject to the optional county registration fee under
22 Transportation Code, §502.172 or the optional registration fee
23 for child safety under Transportation Code, §502.173.

1 (3) 72-hour permits and 144-hour permits.

2 (A) In accordance with Transportation Code, §502.352,
3 as amended, the department will issue a permit valid for 72
4 hours or 144 hours for the movement of commercial motor
5 vehicles, trailers, semitrailers, and motor buses owned by
6 residents of the United States, Mexico, or Canada.

7 (B) A 72-hour permit or a 144-hour permit is valid for
8 the period of time stated on the permit beginning with the
9 effective day and time as shown on the permit registration
10 receipt.

11 (C) Vehicles displaying 72-hour permits or 144-hour
12 permits are subject to vehicle safety inspection in accordance
13 with Transportation Code, §548.051, except for:

14 (i) vehicles currently registered in another state of
15 the United States, Mexico, or Canada; and

16 (ii) mobile drilling and servicing equipment used in
17 the production of gas, crude petroleum, or oil, including, but
18 not limited to, mobile cranes and hoisting equipment, mobile
19 lift equipment, forklifts, and tugs.

20 (D) The department will not issue a 72-hour permit or a
21 144-hour permit to a commercial motor vehicle, trailer,
22 semitrailer, or motor bus apprehended for violation of Texas
23 registration laws. Apprehended vehicles must be registered

1 under Transportation Code, Chapter 502.

2 (4) Temporary agricultural permits.

3 (A) Transportation Code, §502.355 [~~§502.354~~],
4 authorizes the department to issue a 30-day temporary
5 nonresident registration permit to a nonresident for any truck,
6 truck tractor, trailer, or semitrailer to be used in the
7 movement of all agriculture products produced in Texas:

8 (i) from the place of production to market, storage,
9 or railhead not more than 75 miles distant from the place of
10 production; or

11 (ii) to be used in the movement of machinery used to
12 harvest Texas-produced agricultural products.

13 (B) The department will issue a 30-day temporary
14 nonresident registration permit to a nonresident for any truck,
15 truck tractor, trailer, or semitrailer used to move or harvest
16 farm products, produced outside of Texas, but:

17 (i) marketed or processed in Texas; or

18 (ii) moved to points in Texas for shipment from the
19 point of entry into Texas to market, storage, processing plant,
20 railhead or seaport not more than 80 miles distant from such
21 point of entry into Texas.

22 (C) The statutory fee for temporary agricultural
23 permits is one-twelfth of the annual Texas registration fee

1 prescribed for the vehicle for which the permit is issued.

2 (D) The department will issue a temporary agricultural
3 permit only when the vehicle is legally registered in the
4 nonresident's home state or country for the current registration
5 year.

6 (E) The number of temporary agricultural permits is
7 limited to three permits per nonresident owner during any one
8 vehicle registration year.

9 (F) Temporary agricultural permits may not be issued to
10 farm licensed trailers or semi-trailers.

11 (5) One-trip permits. Transportation Code, §502.354,
12 authorizes the department to temporarily register any unladen
13 vehicle upon application to provide for the movement of the
14 vehicle for one trip, when the vehicle is subject to Texas
15 registration and not authorized to travel on the public roadways
16 for lack of registration or lack of registration reciprocity.

17 (A) Upon receipt of the \$5.00 fee, registration will be
18 valid for one trip only between the points of origin and
19 destination and intermediate points as may be set forth in the
20 application and registration receipt.

21 (B) The department will issue a one-trip permit to a
22 bus which is not covered by a reciprocity agreement with the
23 state or country in which it is registered to allow for the

1 transit of the vehicle only. The vehicle should not be used for
2 the transportation of any passenger or property, for
3 compensation or otherwise, unless such bus is operating under
4 charter from another state or country.

5 (C) A one-trip permit is valid for a period up to 15
6 days from the effective date of registration.

7 (D) A one-trip permit may not be issued for a trip
8 which both originates and terminates outside Texas.

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

12 (6) 30-day temporary registration permits.

13 Transportation Code, §502.354, authorizes the department to
14 issue a temporary registration permit valid for 30 days for a
15 \$25 fee. A vehicle operated on a 30-day temporary permit is not
16 restricted to a specific route. The permit is available for:

17 (A) passenger vehicles;

18 (B) motorcycles;

19 (C) private buses;

20 (D) trailers and semitrailers with a gross weight not
21 exceeding 10,000 pounds;

22 (E) light commercial vehicles not exceeding a
23 manufacturer's rated carrying capacity of one ton; and

1 . (F) a commercial vehicle exceeding one ton, provided
2 the vehicle is operated unladen.

3 (c)Application process.

4 (1) Procedure. An owner who wishes to apply for a
5 temporary registration permit for a vehicle which is otherwise
6 required to be registered in accordance with §17.22 of this
7 title (relating to Motor Vehicle Registration), must do so on a
8 form prescribed by the director.

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

11 (A) the signature of the owner;

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

13 (C) the vehicle description.

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

16 (A) statutorily prescribed fees;

17 (B) evidence of financial responsibility:

18 (i) as required by Transportation Code, Chapter 502,
19 Subchapter G, provided that all policies written for the
20 operation of motor vehicles must be issued by an insurance
21 company or surety company authorized to write motor vehicle
22 liability insurance in Texas; or

23 (ii) if the applicant is a motor carrier as defined

1 by §18.2 of this title (relating to Definitions), indicating
2 that the vehicle is registered in compliance with Chapter 18,
3 Subchapter B of this title; and

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

5 (4) Place of application.

6 (A) All applications for annual permits must be
7 submitted directly to the department for processing and
8 issuance.

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

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

17 (d) - (f) (No change.)

18 (g) Agreements with other jurisdictions. In accordance
19 with Transportation Code, §502.054 and Chapter 648 [~~Texas Civil~~
20 ~~Statutes, Article 6675c-2~~], the executive director of the
21 department may enter into a written agreement with an authorized
22 officer of a state, province, territory, or possession of a
23 foreign country to provide for the exemption from payment of

1 registration fees by nonresidents if residents of this state are
2 granted reciprocal exemptions. The executive director may enter
3 into such agreement only upon:

4 (1) the approval of the governor; and

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

7 (h) Exemptions. A foreign commercial vehicle operating in
8 accordance with Transportation Code, Chapter 648 [~~Texas Civil~~
9 ~~Statutes, Article 6675e-2~~] is exempt from the display of a
10 temporary registration permit if:

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

14 (2) for each load of cargo transported the vehicle
15 remains in this state for:

16 (A) not more than 24 hours; or

17 (B) not more than 48 hours, if:

18 (i) the vehicle is unable to leave this state within
19 24 hours because of circumstances beyond the control of the
20 motor carrier operating the vehicle; and

21 (ii) all financial responsibility requirements
22 applying to this vehicle are satisfied;

23 (C) the vehicle is registered and licensed as required

1 by the law of another state or country as evidenced by a valid
2 metal license plate attached to the front or rear exterior of
3 the vehicle; and

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

8
9 §17.24. Disabled Person License Plates and Identification
10 Placards.

11 (a) Purpose. Transportation Code, Chapters 504 [~~502~~] and
12 681, charges the department with the responsibility for issuing
13 specially designed license plates and identification placards
14 for disabled persons. For the department to perform these
15 duties efficiently and effectively, this section prescribes the
16 policies and procedures for the application, issuance, and
17 renewal of disabled person license plates and placards.

18 (b) Issuance.

19 (1) Disabled person license plates.

20 (A) Eligibility. In accordance with Transportation
21 Code, §504.201 [~~§502-253~~], the department will issue specially
22 designed license plates displaying the international symbol of
23 access to permanently disabled persons or their transporters

1 instead of regular motor vehicle license plates.

2 (B) Specialty license plates. The department will
3 issue disabled person insignia on those specialty license plates
4 that can accommodate the identifying insignia and that are
5 issued in accordance with §17.28 of this subchapter.

6 (C) License plate number. Disabled person license
7 plates will bear a license plate number assigned by the
8 department or will bear a personalized license plate number
9 issued in accordance with §17.28 of this subchapter.

10 (2) Windshield identification placards. The department
11 will issue removable windshield identification placards to
12 temporarily or permanently disabled persons and to the
13 transporters of permanently disabled persons. A person who has
14 been issued a windshield identification placard shall hang the
15 placard from a vehicle's rearview mirror when the vehicle is
16 parked in a disabled person parking space or shall display the
17 placard on the center portion of the dashboard if the vehicle
18 does not have a rearview mirror.

19 (A) A placard issued to a person with a mobility-
20 related disability described by Transportation Code,
21 §681.001(5)(B) or (C), will be white on a blue shield in color.

22 (B) A placard issued to a person with any other
23 disability will be white on a red shield in color.

1 (c) Initial application.

2 (1) Place of application. The following persons may file
3 an application for disabled person license plates or
4 identification placards with the county tax assessor-collector
5 in the county in which the applicant resides:

6 (A) the owner of a registered vehicle that is regularly
7 operated by or for the transportation of a disabled person; and

8 (B) a disabled person who is not a vehicle owner.

9 (2) Application form. The application must be made on a
10 form prescribed by the director and must, at a minimum, include
11 the name, address, and signature of the disabled person, and:

12 (A) the first four digits of the applicant's driver's
13 license number or the number of a personal identification card
14 issued to the applicant under Transportation Code, Chapter 521;
15 or

16 (B) an out-of-state current driver's license number
17 issued to a non-resident individual serving in the United States
18 military at a military installation in this state.

19 (3) Accompanying documentation.

20 (A) In accordance with Transportation Code, §504.201
21 [~~§502.253~~] and §681.003, and unless otherwise exempted by law or
22 this section, an initial application for disabled person license
23 plates and an identification placard must be accompanied by

1 evidence that the operator or regularly transported person is
2 disabled.

3 (B) The evidence must take one of the two following
4 forms.

5 (i) The evidence may be in the form of a disability
6 statement, as it appears on the application for disabled person
7 license plates or identification placards, which has been
8 correctly completed and signed in the presence of a notary.

9 (ii) The evidence may also be in the form of a
10 written prescription that includes the disabled person's name, a
11 statement that the disability is either temporary or permanent,
12 a statement whether the person's disability is mobility related
13 as described by Transportation Code, §681.001(5)(B) or (C), and
14 the signature of a physician. The prescription must be written
15 on a prescription form or on the physician's letterhead. In the
16 case of a mobility problem caused by a disorder of the foot, the
17 evidence may be signed by a podiatrist on the podiatrist's
18 letterhead.

19 (C) An initial application for disabled person license
20 plates or identification placards must be signed by a physician:

21 (i) licensed to practice medicine in Texas, Arkansas,
22 Louisiana, New Mexico, or Oklahoma;

23 (ii) authorized by law to practice medicine in a

1 health facility of the Veterans Administration;

2 (iii) or practicing medicine in the United States
3 Military on a military installation.

4 (D) If the initial application for disabled license
5 plates or identification placards is based on a mobility problem
6 caused by a disorder of the foot, it may be signed by a
7 podiatrist licensed to practice podiatry in Texas, Arkansas,
8 Louisiana, New Mexico, or Oklahoma.

9 (4) Exemption from accompanying documentation. The
10 department will issue disabled person identification placards to
11 an organization that regularly transports disabled persons in
12 vehicles it owns or controls if the organization is prohibited
13 by law from disclosing the identities of its clients. The
14 application may be made in the name of the organization. In
15 addition, accompanying documentation described in paragraph (3)
16 of this subsection will not be required. The organization must
17 present an "Exempt" Texas Vehicle Registration Receipt issued in
18 accordance with §17.50 of this subchapter for each disabled
19 person identification placard requested.

20 (5) Issuance of disabled person license plates and
21 identification placards to certain institutions.

22 (A) In accordance with Transportation Code, §504.203
23 [~~§502.2531~~] and §681.0032, the department will issue disabled

1 person license plates or a blue permanently disabled person
2 identification placard for display on a van or bus operated by
3 an institution, facility, or residential retirement community
4 that is licensed under Health and Safety Code, Chapter 242, 246,
5 or 247.

6 (B) The van or bus must be used for the transport of
7 residents of the institution, facility, or residential
8 retirement community.

9 (C) A qualified institution, facility, or residential
10 retirement community must meet the following requirements to
11 obtain disabled parking insignia.

12 (i) An application for disabled person license plates
13 or an identification placard must be presented. Accompanying
14 documentation described in paragraph (3) of this subsection is
15 not required.

16 (ii) A Texas Vehicle Registration Receipt issued in
17 accordance with §17.22 of this subchapter must be presented for
18 each van or bus for which disabled person insignia is requested.

19 (D) If the Vehicle Registration Receipt indicates that
20 the van or bus is not owned by the eligible institution,
21 facility, or residential retirement community that is requesting
22 disabled person identification insignia, then the institution,
23 facility, or residential retirement community must submit a

1 written statement that the van or bus is in the possession and
2 control of the eligible institution, facility, or residential
3 retirement community and is operated by the institution,
4 facility, or residential retirement community for the
5 transportation of its disabled residents.

6 (d) - (g) (No change.)

7
8 §17.28. Specialty License Plates, Symbols, Tabs, and Other
9 Devices.

10 (a) Purpose and Scope. Transportation Code, Chapter 504,
11 charges the department with the responsibility of issuing a
12 plate or plates, symbols, tabs, or other devices that, when
13 attached to a vehicle as prescribed by the department, act as
14 the legal registration insignia for the period issued. In
15 addition, Transportation Code, Chapter 504, charges the
16 department with providing specialty license plates, symbols,
17 tabs, and other devices. For the department to perform these
18 duties efficiently and effectively, this section prescribes the
19 policies and procedures for the application, issuance, and
20 renewal of specialty license plates, symbols, tabs, and other
21 devices, through the county tax assessor-collectors, and
22 establishes application fees, expiration dates, and registration
23 periods for certain specialty license plates.

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1 (b) Initial application for specialty license plates,
2 symbols, tabs, or other devices.

3 (1) Application Process.

4 (A) Procedure. An owner of a vehicle registered as
5 specified in §17.22 of this subchapter who wishes to apply for a
6 specialty license plate, symbol, tab, or other device must do so
7 on a form prescribed by the director.

8 (B) Form requirements. The application form shall at a
9 minimum require the name and complete address of the applicant.

10 (2) Fees and Documentation.

11 (A) The application must be accompanied by the
12 prescribed registration fee, unless exempted by statute.

13 (B) The application must be accompanied by the
14 statutorily prescribed specialty license plate fee. If a
15 registration period is greater than 12 months, the expiration
16 date of a specialty license plate, symbol, tab, or other device
17 will be aligned with the registration period and the specialty
18 plate fee will be adjusted to yield the appropriate fee. If the
19 statutory annual fee for a specialty license plate is \$5.00 or
20 less, it will not be prorated.

21 (C) The application must be accompanied by prescribed
22 local fees or other fees that are collected in conjunction with
23 registering a vehicle, with the exception of vehicles bearing

1 license plates that are exempt by statute from these fees.

2 (D) The application must include evidence of
3 eligibility for any specialty license plates. The evidence of
4 eligibility may include, but is not limited to:

5 (i) an official document issued by a governmental
6 entity;

7 (ii) a letter issued by a governmental entity on that
8 agency's letterhead;

9 (iii) discharge papers; or

10 (iv) a death certificate.

11 (E) Initial applications for license plates for display
12 on Exhibition Vehicles must include a photograph of the
13 completed vehicle.

14 (3) Place of application. Applications for specialty
15 license plates may be made directly to the county tax assessor-
16 collector, except that applications for the following license
17 plates must be made directly to the department:

18 (A) Congressional Medal of Honor;

19 (B) County Judge;

20 (C) Legion of Valor;

21 (D) Federal Administrative Law Judge;

22 (E) State Judge;

23 (F) State Official;

- 1 (G) U.S. Congress—House;
2 (H) U.S. Congress—Senate; and
3 (I) U.S. Judge.

4 (c) Initial issuance of specialty license plates, symbols,
5 tabs, or other devices.

6 (1) Issuance. On receipt of a completed initial
7 application for registration, accompanied by the prescribed
8 documentation and fees, the department will issue specialty
9 license plates, symbols, tabs, or other devices to be displayed
10 on the vehicle for which the license plates, symbols, tabs, or
11 other devices were issued for the current registration period.
12 If the vehicle for which the specialty license plates, symbols,
13 tabs, or other devices are issued is currently registered, the
14 owner must surrender the license plates currently displayed on
15 the vehicle, along with the corresponding license receipt,
16 before the specialty license plates may be issued.

17 (2) Number of plates issued.

18 (A) Two plates. Unless otherwise listed in
19 subparagraph (B) of this paragraph, two specialty license
20 plates, each bearing the same license plate number, will be
21 issued per vehicle.

22 (B) One plate. One license plate will be issued per
23 vehicle for all motorcycles and for the following specialty

1 license plates:

2 (i) Antique Vehicle;

3 (ii) Classic Travel Trailer;

4 (iii) Cotton Vehicle;

5 (iv) [~~(iii)~~] Disaster Relief;

6 (v) [~~(iv)~~] Forestry Vehicle;

7 (vi) [~~(v)~~] Golf Cart;

8 (vii) [~~(vi)~~] Log Loader;

9 (viii) [~~(vii)~~] Military Vehicle; and

10 (ix) [~~(viii)~~] Parade.

11 (C) Registration number. The identification number
12 assigned by the military may be approved as the registration
13 number instead of displaying Military Vehicle license plates on
14 a former military vehicle.

15 (3) Validation stickers and tabs. Instead of license
16 plates, the department will issue validation stickers and tabs
17 to the following vehicles.

18 (A) Classic Motor Vehicles. Validation stickers will
19 be issued for display on vehicles with existing Texas license
20 plates that were originally issued the same year as the model
21 year of a Classic Motor Vehicle.

22 (B) Certain Exhibition Vehicles. Validation stickers
23 or tabs will be issued for display on vehicles with existing

1 Texas license plates that were originally issued the same year
2 as the model year of the Exhibition Vehicle.

3 (4) Assignment of plates.

4 (A) Title holder. Unless otherwise exempted by law or
5 this section, the vehicle on which specialty license plates,
6 symbols, tabs, or other devices is to be displayed shall be
7 titled in the name of the person to whom the specialty license
8 plates, symbols, tabs, or other devices is assigned, or a
9 certificate of title application shall be filed in that person's
10 name at the time the specialty license plates, symbols, tabs, or
11 other devices are issued.

12 (B) Non-owner vehicle. If the vehicle is titled in a
13 name other than that of the applicant, the applicant must
14 provide evidence of having the legal right of possession and
15 control of the vehicle.

16 (C) Leased vehicle. In the case of a leased vehicle,
17 the applicant must provide a copy of the lease agreement
18 verifying that the applicant currently leases the vehicle.

19 (5) Classification of golf carts. If a golf cart does
20 not meet the statutorily prescribed criteria for Golf Cart
21 license plates but must be registered, its registration
22 classification will be determined by whether it is designed as a
23 4-wheeled truck, a 4-wheeled passenger vehicle, or a 3-wheeled

1 motorcycle.

2 (6) Number of vehicles. An owner may obtain specialty
3 license plates, symbols, tabs, or other devices for an unlimited
4 number of vehicles, unless the statute limits the number of
5 vehicles for which the specialty license plate may be issued.

6 (7) Other classes of vehicle. A specialty license plate
7 design may be varied to accommodate its use on motor vehicles
8 other than passenger cars and light trucks. The department will
9 determine whether a specialty license plate will be made
10 available for one or more classes of vehicles in addition to
11 passenger cars and light trucks and, if so, to which class or
12 classes. In making this determination, the department will
13 consider the cost of redesigning a specialty license plate to
14 accommodate another class of vehicle, the potential demand for
15 that specialty license plate on that class of vehicle, and other
16 factors bearing on the potential cost or benefit to the public
17 of expanding the availability of a specialty license plate.

18 (8) Personalized plate numbers.

19 (A) Issuance. The director will issue a personalized
20 license plate number subject to the exceptions set forth in this
21 paragraph.

22 (B) Character limit. A personalized license plate
23 number may contain no more than six alpha or numeric characters

1 or a combination of characters. Depending upon the specialty
2 license plate design and vehicle class, the number of characters
3 may vary. Spaces, hyphens, periods, the International Symbol of
4 Access, or silhouettes of the state of Texas may be used in
5 conjunction with the license plate number.

6 (C) Personalized plates not approved. A personalized
7 license plate number will not be approved by the director if the
8 alpha-numeric sequence:

9 (i) conflicts with the department's current or
10 proposed regular license plate numbering system;

11 (ii) would violate §17.22(c)(3) of this chapter, as
12 determined by the executive director; or

13 (iii) is currently issued to another owner.

14 (D) Classifications of vehicles eligible for
15 personalized plates. Unless otherwise listed in subparagraph
16 (E) of this paragraph, personalized plates are available for all
17 classifications of vehicles.

18 (E) Categories of plates for which personalized plates
19 are not available. Personalized license plate numbers are not
20 available for display on the following specialty license plates:

21 (i) Amateur Radio (other than the official call
22 letters of the vehicle owner);

23 (ii) Antique Motorcycle;

- 1 (iii) Antique Vehicle;
- 2 (iv) Apportioned;
- 3 (v) Congressional Medal of Honor;
- 4 (vi) Cotton Vehicle;
- 5 (vii) Disabled Veteran;
- 6 (viii) Disaster Relief;
- 7 (ix) Farm Trailer (except Go Texan II);
- 8 (x) Farm Truck (except Go Texan II);
- 9 (xi) Farm Truck Tractor (except Go Texan II);
- 10 (xii) Fertilizer;
- 11 (xiii) Forestry Vehicle;
- 12 (xiv) Log Loader;
- 13 (xv) Machinery;
- 14 (xvi) Parade;
- 15 (xvii) Permit;
- 16 (xviii) Rental Trailer;
- 17 (xix) Soil Conservation; and
- 18 (xx) Texas Guard.

19 (F) Fee. The statutorily prescribed personalized
20 license plate fee will be charged in addition to any prescribed
21 specialty license plate fee.

22 (G) Priority. Once a personalized license plate number
23 has been assigned to an applicant, the owner shall have priority

1 to that number for succeeding years if a timely renewal
2 application is submitted to the county tax assessor-collector
3 each year in accordance with subsection (d) of this section.

4 (d) (No change.)

5 (e) Transfer of specialty license plates.

6 (1) Transfer between vehicles.

7 (A) Transferable between vehicles. The owner of a
8 vehicle with specialty license plates, symbols, tabs, or other
9 devices may transfer the specialty plates between vehicles by
10 filing an application through the county tax assessor-collector
11 if the vehicle to which the plates are transferred:

12 (i) is titled or leased in the owner's name; and

13 (ii) meets the vehicle classification requirements
14 for that particular specialty license plate, symbol, tab, or
15 other device.

16 (B) Non-transferable between vehicles. The following
17 specialty license plates, symbols, tabs, or other devices are
18 non-transferable between vehicles:

19 (i) Antique Vehicle license plates, Antique
20 Motorcycle license plates, and Antique tabs;

21 (ii) Military Vehicle license plates and registration
22 numbers;

23 (iii) Classic Auto, Classic Truck, ~~and~~ Classic

1 Motorcycle, and Classic Travel Trailer license plates;

2 (iv) Parade license plates;

3 (v) Forestry Vehicle license plates; and

4 (vi) Log Loader license plates.

5 (C) New specialty license plates. If the department
6 creates a new specialty license plate under Transportation Code,
7 §504.801 or §504.851, the department will specify at the time of
8 creation whether the license plate may be transferred between
9 vehicles.

10 (2) Transfer between owners.

11 (A) Transferable between owners. Specialty license
12 plates, symbols, tabs, or other devices issued under
13 Transportation Code, Chapter 504, Subchapters B and G, may not
14 be transferred between persons unless:

15 (i) the transfer is approved by the department as
16 consistent with statutory standards;

17 (ii) the recipient files an application with the
18 county tax assessor-collector and pays the full annual fee; and

19 (iii) the recipient is eligible for that particular
20 specialty license plate, symbol, tab, or other device.

21 (B) Non-transferable between owners. Specialty license
22 plates, symbols, tabs, or other devices issued under
23 Transportation Code, Chapter 504, Subchapters C, D, E, and F are

1 not transferable from one person to another except as
2 specifically permitted by statute.

3 (C) New specialty license plates. If the department
4 creates a new specialty license plate under Transportation Code,
5 \$504.801 or \$504.851, the department will specify at the time of
6 creation whether the license plate may be transferred between
7 owners.

8 (3) Simultaneous transfer between owners and vehicles.
9 Specialty license plates, symbols, tabs, or other devices are
10 transferable between owners and vehicles simultaneously only if
11 the owners and vehicles meet all the requirements in both
12 paragraph (1) and paragraph (2) of this subsection.

13 (f) - (i) (No change.)

14 (j) Marketing of specialty license plates through a private
15 vendor. The commission authorizes [~~may authorize~~] the
16 department to enter into a an [~~exclusive~~] contract with the
17 private vendor whose proposal to perform all services under the
18 contract is most advantageous to the state, as determined from
19 competitive sealed proposals, that satisfies the requirements of
20 Transportation Code, \$504.851 for the marketing and sale of
21 specialty license plates.

22 (1) Types of license plates. The private vendor may
23 agree to market and sell existing non-qualifying specialty

1 license plates issued under Transportation Code, Chapter 504,
2 Subchapters B and G, and new specialty license plates issued
3 under Transportation Code, §504.801 and §504.851. Non-
4 qualifying specialty license plates are license plates that do
5 not have specific qualifications that may be issued to anyone.

6 (2) New specialty license plates. The decision to issue
7 or not to issue new specialty license plates for marketing and
8 sale through the private vendor shall be made jointly under the
9 terms of the contract. The contract does not prohibit the
10 department from creating new specialty license plates on its own
11 initiative or prohibit an organization from applying for a new
12 specialty license plate directly to the department in accordance
13 with Transportation Code, §504.801.

14 [~~(3) Costs. The department will recover all costs to the~~
15 ~~department, both direct and indirect, associated with~~
16 ~~implementing and managing the private marketing and sale of~~
17 ~~specialty license plates, including equipment, software, labor,~~
18 ~~overhead, materials, manufacturing, and shipping costs. In~~
19 ~~addition, all programming costs required to implement this~~
20 ~~program must be paid in advance by the private vendor.]~~

21 [~~(4) License plate design. All specialty license plates~~
22 ~~shall incorporate a reflectorized white background.]~~

23 (3) [(5)] Refunds. Personalized specialty license plate

1 applications that are not approved by the department will be
2 rejected by the private vendor, and the refund of fees will be
3 the responsibility of the private vendor. Refunds to customers
4 dissatisfied with an unused specialty license plate sold by the
5 private vendor will be the responsibility of the private vendor.

6 (4) Fees. [~~(6) Marketing. The private vendor must submit~~
7 ~~an annual marketing plan for approval by the department.] The~~
8 private vendor must [also] submit a schedule of specialty
9 license plate fees for approval by the commission. [~~The~~
10 ~~department may approve, disapprove, or limit any aspect of the~~
11 ~~plan.]~~

12

13 \$17.30. Commercial Vehicle Registration.

14 (a) Eligibility. A motor vehicle, other than a motorcycle,
15 designed or used primarily for the transportation of property,
16 including any passenger car that has been reconstructed to be
17 used, and is being used, primarily for delivery purposes, with
18 the exception of a passenger car used in the delivery of the
19 United States mails, must be registered as a commercial vehicle.

20 (b) Commercial vehicle registration classifications.

21 (1) Apportioned license plates. Apportioned license
22 plates are issued in lieu of Combination or Truck license plates
23 to Texas carriers who proportionally register their fleets in

1 other states, in conformity with §17.51 of this title (relating
2 to Registration Reciprocity Agreements).

3 (2) City Bus license plates. A street or suburban bus
4 shall be registered with license plates bearing the legend "City
5 Bus."

6 (3) Combination license plates.

7 (A) Specifications. A truck or truck tractor with a
8 manufacturer's rated carrying capacity in excess of one ton used
9 or to be used in combination with a semitrailer having a gross
10 weight in excess of 6,000 pounds, shall be registered with
11 combination license plates. Such vehicles must be registered
12 for a gross weight equal to the combined gross weight of all the
13 vehicles in the combination. Only one combination license plate
14 is required and must be displayed on the front of the truck or
15 truck tractor. When displaying a combination license plate, a
16 truck or truck tractor is not restricted to pulling a
17 semitrailer licensed with a Token Trailer license plate; and may
18 legally pull semitrailers and full trailers displaying other
19 types of Texas license plates or license plates issued out of
20 state. The following vehicles are not required to be registered
21 in combination:

22 (i) trucks or truck tractors having a manufacturer's
23 rated carrying capacity of one ton or less, or trucks or truck

1 tractors to be used exclusively in combination with semitrailers
2 having gross weights not exceeding 6,000 pounds;

3 (ii) semitrailers with gross weights of 6,000 pounds
4 or less, or semitrailers that are to be operated exclusively
5 with trucks or truck tractors having manufacturer's rated
6 carrying capacities of one ton or less;

7 (iii) trucks or truck tractors used exclusively in
8 combination with semitrailer-type vehicles displaying Machinery,
9 Permit, or Farm Trailer license plates;

10 (iv) trucks or truck tractors used exclusively in
11 combination with travel trailers and manufactured housing;

12 (v) trucks or truck tractors to be registered with
13 Farm Truck or Farm Truck Tractor license plates;

14 (vi) trucks or truck tractors and semitrailers to be
15 registered with Disaster license plates;

16 (vii) trucks or truck tractors and semitrailers to be
17 registered with Soil Conservation license plates;

18 (viii) trucks or truck tractors and semitrailers to
19 be registered with U.S. Government license plates or Exempt
20 license plates issued by the State of Texas; and

21 (ix) vehicles that are to be issued temporary
22 permits, such as 72-Hour Permits, 144-Hour Permits, One Trip
23 Permits, or 30-day Permits in accordance with Transportation

1 Code, §502.352 and §502.354.

2 (B) Converted semitrailers. Semitrailers that are
3 converted to full trailers by means of auxiliary axle assemblies
4 will retain their semitrailer status, and such semitrailers are
5 subject to the combination and token trailer registration
6 requirements.

7 (C) Axle assemblies. Various types of axle assemblies
8 that are specially designed for use in conjunction with other
9 vehicles or combinations of vehicles may be used to increase the
10 load capabilities of such vehicles or combinations.

11 (i) Auxiliary axle assemblies such as trailer axle
12 converters, jeep axles, and drag axles, which are used in
13 conjunction with truck tractor and semitrailer combinations, are
14 not required to be registered; however, the additional weight
15 that is acquired by the use of such axle assemblies must be
16 included in the combined gross weight of the combination.

17 (ii) Ready-mix concrete trucks that have an auxiliary
18 axle assembly installed for the purpose of increasing a load
19 capacity of such vehicles must be registered for a weight that
20 includes the axle assembly.

21 (D) Exchange of Combination license plates.
22 Combination license plates shall not be exchanged for another
23 type of registration during the registration year, except that:

NOTE: Additions underlined
Deletions in []
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Exhibit C

1 (i) if a major permanent reconstruction change
2 occurs, Combination license plates may be exchanged for Truck
3 license plates, provided that a corrected title is applied for;

4 (ii) if the department initially issues Combination
5 license plates in error, the plates will be exchanged for
6 license plates of the proper classification;

7 (iii) if the department initially issues Truck or
8 Trailer license plates in error to vehicles that should have
9 been registered in combination, such plates will be exchanged
10 for Combination and Token Trailer license plates; or

11 (iv) if a Texas apportioned carrier acquires a
12 combination license power unit, the Combination license plates
13 will be exchanged for Apportioned license plates.

14 (4) Cotton Vehicle license plates. The department will
15 issue Cotton Vehicle license plates in accordance with
16 Transportation Code, \$504.505 [~~\$502.277~~] and \$17.28 of this
17 title (relating to Specialty [~~Special-Category~~] License Plates,
18 Symbols, Tabs, and Other Devices).

19 (5) Forestry Vehicle license plates. The department will
20 issue Forestry Vehicle license plates in accordance with
21 Transportation Code, \$504.507 [~~\$502.280~~] and \$17.28 of this
22 title.

23 (6) In Transit [~~Intransit~~] license plates. The

1 department may issue an In Transit [~~Intransit~~] license plate
2 annually to any person, firm, or corporation engaged in the
3 primary business of transporting and delivering by means of the
4 full mount, saddle mount, tow bar, or any other combination, new
5 vehicles and other vehicles from the manufacturer or any other
6 point of origin to any point of destination within the State.
7 Each new vehicle being transported, delivered, or moved under
8 its own power in accordance with this paragraph must display an
9 In Transit [~~Intransit~~] license plate in accordance with
10 Transportation Code, §503.035.

11 (7) Motor Bus license plates. A motor bus as well as a
12 taxi and other vehicles that transport passengers for
13 compensation or hire, must display Motor Bus license plates when
14 operated outside the limits of a city or town, or adjacent
15 suburb, in which its company is franchised to do business.

16 (8) Token Trailer license plates.

17 (A) Qualification. The department will issue Token
18 Trailer license plates for semitrailers that are required to be
19 registered in combination.

20 (B) Validity. A Token Trailer license plate is valid
21 only when it is displayed on a semitrailer that is being pulled
22 by a truck or a truck tractor that has been properly registered
23 with Forestry Vehicle (in accordance with Transportation Code,

1 \$504.507 [~~\$502.280~~], Combination (in accordance with
2 Transportation Code, \$502.167), or Apportioned (in accordance
3 with Transportation Code, \$502.054) license plates for combined
4 gross weights that include the weight of the semitrailer, unless
5 exempted by Transportation Code, \$502.352 and \$623.011.

6 (C) License receipt. The operator shall carry a copy
7 of the Token Trailer license plate receipt on the vehicle at all
8 times when operating the vehicle upon the public highways.

9 (D) House-moving dollies. House-moving dollies are to
10 be registered with Token Trailer license plates and titled as
11 semitrailers; however, only one such dolly in a combination is
12 required to be registered and titled. The remaining dolly (or
13 dollies) is permitted to operate unregistered, since by the
14 nature of its construction, it is dependent upon another such
15 vehicle in order to function. The pulling unit must display a
16 Combination or Apportioned license plate.

17 (E) Full trailers. The department will not issue a
18 Token Trailer license plate for a full trailer.

19 (9) Tow Truck license plates. A Tow Truck license plate
20 must be obtained for all tow trucks operating and registered in
21 this state. The department will not issue a Tow Truck license
22 plate to tow trucks that are not registered in compliance with
23 Transportation Code, Chapter 643.

1 (c) (No change.)

2 (d) Renewal of commercial license plates.

3 (1) Registration period. The department will establish
4 the registration period for commercial vehicles, unless
5 specified by statute. Commercial license plates are issued for
6 established annual registration periods as follows.

7 (A) March expiration. The following license plates are
8 issued for the established annual registration period of April
9 1st through March 31st of the following year:

- 10 (i) City Bus license plates;
11 (ii) Combination license plates;
12 (iii) In Transit [~~Intransit~~] license plates;
13 (iv) Motor Bus license plates; and
14 (v) Token Trailer license plates.

15 (B) Five year registration with March 31st expiration.
16 The following license plates are available with a five-year
17 registration period. Registration fees for the license plates
18 listed below may be paid on an annual basis, or may be paid up
19 front for the entire five-year period:

- 20 (i) Five-year Apportioned Trailer license plates,
21 issued for company-owned semitrailers in a carrier's apportioned
22 trailer fleet; [~~and~~]
23 (ii) Five-year Rental Trailer license plates issued

1 for rental trailers that are part of a rental fleet; and

2 (iii) Five-year Token Trailer license plates,
3 available to owners of intrastate fleets consisting of 50 or
4 more company-owned semitrailers.

5 (2) License Plate Renewal Notice. The department will
6 mail a License Plate Renewal Notice, indicating the proper
7 registration fee and the month and year the registration
8 expires, to each vehicle owner approximately six to eight weeks
9 prior to the expiration of the vehicle's registration.

10 (3) Return of License Plate Renewal Notices. License
11 Plate Renewal Notices should [~~must~~] be returned by the vehicle
12 owner to the department or the appropriate county tax assessor-
13 collector, as indicated on the License Plate Renewal Notice.
14 Unless otherwise exempted by law, License Plate Renewal Notices
15 may be returned either in person or by mail, and shall be
16 accompanied by:

17 (A) statutorily prescribed registration renewal fees;

18 (B) prescribed local fees or other fees that are
19 collected in conjunction with registration renewal;

20 (C) evidence of financial responsibility as required by
21 Transportation Code, §502.153; and

22 (D) other prescribed documents or fees.

23 (4) Lost or destroyed License Plate Renewal Notice. If a

1 License Plate Renewal Notice is lost, destroyed, or not received
2 by the vehicle owner, the vehicle may be registered if the owner
3 presents personal identification acceptable to the tax assessor-
4 collector. Failure to receive the notice does not relieve the
5 owner of the responsibility to renew the vehicle's registration.

6 (e) Transfer of commercial vehicle license plates.

7 (1) Transfer between persons. With the exceptions noted
8 in paragraph (3) of this subsection, when ownership of a vehicle
9 displaying commercial vehicle license plates is transferred,
10 application for transfer of such license plates shall be made
11 with the county tax assessor-collector in the county in which
12 the purchaser resides. If the purchaser does not intend to use
13 the vehicle in a manner that would qualify it for the license
14 plates issued to that vehicle, such plates must be exchanged for
15 the appropriate license plates.

16 (2) Transfer between vehicles. Commercial vehicle
17 license plates are non-transferable between vehicles.

18 (3) Transfer of Apportioned and Tow Truck license plates.
19 Apportioned and Tow Truck license plates are non-transferable
20 between persons or vehicles, and become void if the vehicle to
21 which the license plates were issued is sold.

22 (f) Replacement of lost, stolen, or mutilated commercial
23 vehicle license plates.

1 (1) In Transit [~~Intransit and Tow Truck~~] license plates.
2 Replacement In Transit [~~Intransit and Tow Truck~~] license plates
3 will not be issued. Additional In Transit [~~Intransit and Tow~~
4 ~~Truck~~] license plates may be obtained at any time during the
5 registration year by submitting a new application in accordance
6 with subsection (d) of this section.

7 (2) Other license plates. Except for In Transit [~~the~~
8 ~~vehicle~~] license plates identified in paragraph (1) of this
9 subsection, an owner of lost, stolen, or mutilated commercial
10 vehicle license plates may obtain replacement license plates by
11 filing an Application for Replacement Plates and remitting the
12 prescribed fee to the county tax assessor-collector of the
13 county in which the owner resides.

14
15 §17.33. Registration Fee Credit: Nontransferable. A
16 registration fee credit voucher will be issued only to the
17 person whose name appears as the owner of the vehicle on the
18 registration and title records of the Vehicle Titles and
19 Registration [~~Motor Vehicle~~] Division at the time the vehicle is
20 destroyed. Registration fee credit vouchers are nontransferable
21 and are not redeemable for cash under any circumstances.

22
23 §17.36. Water Well Drilling Equipment. Prior to the approval

1 of a machinery license plate for any piece of mechanically
2 qualified water well drilling equipment, the owner must first
3 present proof of a current license from the Texas Department of
4 Licensing and Regulation [~~Natural Resource Conservation~~
5 ~~Commission~~].

1 SUBCHAPTER C. REGISTRATION AND TITLE SYSTEM

2 §17.54. Automated Equipment.

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

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

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

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

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

1 (c) Enhancements to RTS.

2 (1) The department will collect an additional fee of \$1
3 in counties with [~~more than~~] 50,000 or more annual motor vehicle
4 registrations for the purpose of enhancing the RTS, providing
5 for automated on-site production of registration insignia, or
6 providing for automated self-serve registration.

7 (2) The department will [~~use its "Allocation of Vehicle~~
8 ~~Registration Fees" report for each calendar year to~~] determine
9 which counties meet the criteria for collecting the \$1
10 additional fee, on an annual basis.

11 (d) (No change.)

1 SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES

2 §17.61. Definitions. The following words and terms, when used
3 in this subchapter, shall have the following meanings, unless
4 the context clearly indicates otherwise.

5 (1) Casual sale--The sale by a salvage vehicle dealer,
6 insurance company at auction, or salvage pool operator at
7 auction of not more than five nonrepairable or salvage motor
8 vehicles to the same person during a calendar year. The term
9 does not include a sale at auction to a salvage vehicle dealer
10 or the sale of an export-only motor vehicle to a person who is
11 not a resident of the United States.

12 (2) Certificate of title--A written instrument that may
13 be issued solely by and under the authority of the department
14 and that reflects the transferor, transferee, vehicle
15 description, license plate and lien information, and rights of
16 survivorship agreement as specified in Subchapter A of this
17 chapter (relating to Motor Vehicle Certificates of Title) or as
18 required by the department.

19 (3) Certificate of title application--A form prescribed
20 by the director of the department's Vehicle Titles and
21 Registration Division that reflects the information required by
22 the department to create a motor vehicle title record.

23 (4) Damage--Sudden damage to a motor vehicle caused by

1 the motor vehicle being wrecked, burned, flooded, or stripped of
2 major component parts. The term does not include gradual damage
3 from any cause, sudden damage caused by hail, or any damage
4 caused only to the exterior paint of the motor vehicle.

5 (5) Date of sale--The date of the transfer of possession
6 of a specific vehicle from a seller to a purchaser.

7 (6) Department--The Texas Department of Transportation.

8 (7) Export-only sale--The sale of a nonrepairable or
9 salvage motor vehicle, by a salvage vehicle dealer, including a
10 salvage pool operator acting as agent for an insurance company,
11 or a governmental entity, to a person who resides outside the
12 United States.

13 (8) Flood damage--A title remark that is initially
14 indicated on a nonrepairable or salvage vehicle title to denote
15 that the damage to the vehicle was caused exclusively by flood
16 and that is carried forward on subsequent title issuance.

17 (9) Insurance company--A person authorized to write
18 automobile insurance in this state or an out-of-state insurance
19 company that pays a loss claim for a motor vehicle in this
20 state.

21 (10) Manufacturer's certificate of origin--A form
22 prescribed by the department showing the original transfer of a
23 new motor vehicle from the manufacturer to the original

1 purchaser, whether importer, distributor, dealer, or owner, and
2 when presented with an application for certificate of title,
3 showing, on appropriate forms prescribed by the department, each
4 subsequent transfer between distributor and dealer, dealer and
5 dealer, and dealer and owner.

6 (11) Metal recycler--A person who:

7 (A) is predominately engaged in the business of
8 obtaining ferrous or nonferrous metal that has served its
9 original economic purpose to convert the metal, or sell the
10 metal for conversion, into raw material products consisting of
11 prepared grades and having an existing or potential economic
12 value;

13 (B) has a facility to convert ferrous or nonferrous
14 metal into raw material products consisting of prepared grades
15 and having an existing or potential economic value, by a method
16 other than the exclusive use of hand tools, including the
17 processing, sorting, cutting, classifying, cleaning, baling,
18 wrapping, shredding, shearing, or changing the physical form or
19 chemical content of the metal; and

20 (C) sells or purchases the ferrous or nonferrous metal
21 solely for use as raw material in the production of new
22 products.

23 (12) Motor vehicle--A vehicle described by Transportation

1 Code, §501.002(14).

2 (13) Nonrepairable motor vehicle--A motor vehicle,
3 regardless of the year model, that is wrecked, damaged, or
4 burned to the extent that the only residual value of the motor
5 vehicle is as a source of parts or scrap metal, or that comes
6 into this state under a title or other ownership document that
7 indicates that the motor vehicle is nonrepairable, junked, or
8 for parts or dismantling only.

9 (14) Nonrepairable vehicle title--A document that
10 evidences ownership of a nonrepairable motor vehicle.

11 (15) Out-of-state buyer--A person licensed in an
12 automotive business by another state or jurisdiction if the
13 department has listed the holders of such a license as permitted
14 purchasers of salvage motor vehicles or nonrepairable motor
15 vehicles based on substantially similar licensing requirements
16 and on whether salvage vehicle dealers licensed in Texas are
17 permitted to purchase salvage motor vehicles or nonrepairable
18 motor vehicles in the other state or jurisdiction.

19 (16) Out-of-state ownership document--A negotiable
20 document issued by another jurisdiction that the department
21 considers sufficient to prove ownership of a nonrepairable or
22 salvage motor vehicle and to support issuance of a comparable
23 Texas certificate of title for the motor vehicle. The term does

1 not include a title issued by the department, including a:

2 (A) regular certificate of title;

3 (B) nonrepairable vehicle title;

4 (C) salvage vehicle title;

5 (D) salvage certificate;

6 (E) Certificate of Authority to Demolish a Motor

7 Vehicle; or

8 (F) any other ownership document issued by the

9 department.

10 (17) Person--An individual, partnership, corporation,

11 trust, association, or other private legal entity.

12 (18) Rebuilt salvage certificate of title--A regular

13 certificate of title evidencing ownership of a nonrepairable

14 motor vehicle that was issued a nonrepairable vehicle title

15 prior to September 1, 2003, or salvage motor vehicle that has

16 been rebuilt.

17 (19) Salvage motor vehicle-- A motor vehicle, regardless

18 of the year model:

19 (A) that is:

20 (i) damaged or is missing a major component part to

21 the extent that the cost of repairs exceeds the actual cash

22 value of the motor vehicle immediately before the damage; or

23 (ii) damaged and comes into this state under an out-

1 of-state ownership document that states on its face "accident
2 damage," "flood damage," "inoperable," "rebuildable,"
3 "salvageable," or similar notation, and is not an out-of-state
4 ownership document with a "rebuilt," "prior salvage," or similar
5 notation, or a nonrepairable motor vehicle; and

6 (B) does not include:

7 (i) a motor vehicle for which an insurance company
8 has paid a claim for[+]

9 [~~+~~] repairing hail damage, [~~+~~] or

10 [~~+~~] theft, unless the motor vehicle was damaged
11 during the theft and before recovery to the extent that the cost
12 of repair exceeds the actual cash value of the motor vehicle
13 immediately before the damage; [~~-~~]

14 (ii) the cost of materials or labor for repainting
15 the motor vehicle; or

16 (iii) sales tax on the total cost of repairs.

17 (20) Salvage vehicle dealer--A person engaged in this
18 state in the business of acquiring, selling, dismantling,
19 repairing, rebuilding, reconstructing, or otherwise dealing in
20 nonrepairable motor vehicles or salvage motor vehicles or used
21 parts, including a person who is in the business of a salvage
22 vehicle dealer, regardless of whether the person holds a license
23 issued by the department to engage in the business. The term

1 does not include a person who casually repairs, rebuilds, or
2 reconstructs fewer than three salvage motor vehicles in the same
3 calendar year.

4 (21) Salvage vehicle title--A document issued by the
5 department that evidences ownership of a salvage motor vehicle.

6
7 §17.62. Requirement for Nonrepairable or Salvage Vehicle Title.

8 (a) Determination of condition of vehicle.

9 (1) Salvage motor vehicle. When a vehicle is damaged,
10 the actual cash value of the motor vehicle immediately before
11 the damage and the [~~estimated~~] cost of repairs shall be used to
12 determine whether the damage is sufficient to classify the motor
13 vehicle as a salvage motor vehicle.

14 (2) Nonrepairable motor vehicle. When a vehicle is
15 damaged, the actual cash value of the motor vehicle immediately
16 before the damage and the [~~estimated~~] cost of repairs, or
17 alternate method commonly used by the insurance industry, shall
18 be used to determine whether the damage is sufficient to
19 classify the motor vehicle as a nonrepairable motor vehicle.

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

22 (A) from publications commonly used by the automotive
23 and insurance industries to establish the values of motor

1 vehicles; or

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

6 (4) The [~~estimated~~] cost of repairs, including parts and
7 labor, shall be determined by:

8 (A) using a manual of repair costs or other instrument
9 that is generally recognized and used in the motor vehicle
10 industry to determine those costs; [~~τ~~] or

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

16 (5) The cost of repairs does not include:

17 (A) the cost of:

18 (i) repairs related to gradual damage to a motor
19 vehicle; [~~τ~~]

20 (ii) repairs related to hail damage; or [~~τ~~]

21 (iii) materials and labor for repainting or when the
22 damage is solely to the exterior paint of the motor vehicle; or
23 [~~τ~~]

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

2 (b) - (g) (No change.)

3
4 \$17.65. Dismantling, Scrapping, or Destruction of Motor
5 Vehicles.

6 (a) A person who acquires ownership of a nonrepairable or
7 salvage motor vehicle for the purpose of dismantling, scrapping,
8 or destruction shall, not later than the 30th day after the
9 motor vehicle was acquired:

10 (1) submit to the department a report, on a form
11 prescribed by the department:

12 (A) stating that the motor vehicle will be dismantled,
13 scrapped, or destroyed; and

14 (B) certifying that all unexpired license plates and
15 registration validation stickers have been removed from the
16 motor vehicle, in accordance with Occupations Code, §2302.252;
17 and

18 (2) surrender to the department the properly assigned
19 ownership document.

20 (b) The person shall:

21 (1) maintain records of each motor vehicle that will be
22 dismantled, scrapped, or destroyed, as provided by §17.80(d) of
23 this chapter (relating to Record of Purchases, Sales, and

1 Inventory); and

2 (2) store all unexpired license plates and registration
3 validation stickers removed from those vehicles in a secure
4 location.

5 (c) The department will issue the person a receipt with
6 surrender of the report and ownership documents.

7 (d) License plates and registration validation stickers
8 removed from vehicles reported under subsection (a)(1) of this
9 section may be destroyed upon receipt of the acknowledged report
10 from the department.

11 (e) The department will place an appropriate notation on
12 motor vehicle records for which ownership documents have been
13 surrendered to the department.

14 (f) [~~e~~] Not later than 60 days after the motor vehicle is
15 dismantled, scrapped, or destroyed, the person shall report to
16 the department and provide evidence that the motor vehicle has
17 been dismantled, scrapped, or destroyed.

18

19 §17.68. Rebuilt Salvage Motor Vehicles.

20 (a) Filing for title. When a salvage motor vehicle or a
21 nonrepairable motor vehicle for which a nonrepairable vehicle
22 title was issued prior to September 1, 2003, has been rebuilt,
23 the owner shall file a certificate of title application, as

1 described in §17.3 of this chapter (relating to Motor Vehicle
2 Certificates of Title), for a rebuilt salvage certificate of
3 title.

4 (b) Place of application. An application for a rebuilt
5 salvage certificate of title shall be filed with the county tax
6 assessor-collector in the county in which the applicant resides
7 or in the county in which the motor vehicle was purchased or is
8 encumbered.

9 (c) Fee for rebuilt salvage certificate of title. In
10 addition to the statutory fee for a title application and any
11 other applicable fees, a \$65 rebuilt salvage fee must accompany
12 the application, unless the applicant provides the evidence
13 described in subsection (d) (3) (B) [~~(d) (2) (B)~~] of this section.

14 (d) Accompanying documentation. The application for a
15 certificate of title for a rebuilt nonrepairable or salvage
16 motor vehicle must be supported, at a minimum, by the following
17 documents:

18 (1) evidence of ownership, properly assigned to the
19 applicant, as described in subsection (e) of this section;

20 (2) a rebuilt affidavit, on a notarized form prescribed
21 by the department that includes:

22 (A) a description of the motor vehicle, which includes
23 the motor vehicle's model year, make, model, identification

1 number, and body style;

2 (B) an explanation of the repairs or alterations made
3 to the motor vehicle;

4 (C) a description of each major component part used to
5 repair the motor vehicle and showing the identification number
6 required by federal law to be affixed to or inscribed on the
7 part;

8 (D) the name and address of the owner;

9 (E) the signature of the owner, ~~[]~~ the owner's
10 authorized agent; and

11 (F) certification by the applicant that the vehicle
12 identification number disclosed on the rebuilt affidavit is the
13 same as the vehicle identification number affixed to the
14 vehicle;

15 (3) evidence of inspection submitted by the person who
16 repairs, rebuilds, or reconstructs a nonrepairable or salvage
17 motor vehicle in the form of:

18 (A) disclosure on the rebuilt affidavit of the vehicle
19 inspection sticker number, and date of expiration, issued by an
20 authorized state safety inspection station after the motor
21 vehicle was rebuilt, if the motor vehicle will be registered at
22 the time of application; or

23 (B) a written statement, executed by a specially

1 trained commissioned officer of the Department of Public Safety
2 prior to September 1, 2003, certifying that the rebuilt
3 nonrepairable or salvage motor vehicle's parts and
4 identification numbers have been inspected and that the vehicle
5 complies with state safety standards;

6 (4) an odometer disclosure statement properly executed by
7 the seller of the motor vehicle and acknowledged by the
8 purchaser, if applicable;

9 (5) proof of financial responsibility in the title
10 applicant's name, as required by Transportation Code, §502.153,
11 unless otherwise exempted by law;

12 (6) the identification certificate required by
13 Transportation Code, §548.256, and Transportation Code,
14 §501.030, if the motor vehicle was last titled and registered in
15 another state or country, unless otherwise exempted by law; and

16 (7) a release of any liens, unless there is no transfer
17 of ownership and the same lienholder is being recorded as is
18 recorded on the surrendered evidence of ownership.

19 (e) - (g) (No change.)

SUBCHAPTER E. SALVAGE VEHICLE DEALERS

§17.72. Classifications of Salvage Vehicle Dealer Licenses.

(a) Applicability. A person who acts as a salvage vehicle dealer or salvage vehicle rebuilder, including a person who stores or displays motor vehicles as an agent or escrow agent of an insurance company, must obtain a salvage vehicle dealer license in accordance with Occupations Code, Chapter 2302, and the provisions of this subchapter.

(b) Classification of licenses. The department will classify salvage vehicle dealers according to the type of activity performed by the dealer. A salvage vehicle dealer may not engage in activities of a particular classification as indicated in this subsection unless the salvage vehicle dealer holds a license authorizing business under that classification. An applicant shall apply for a salvage vehicle dealer license in one or more of the following classifications:

(1) new automobile dealer, defined as a person whose primary business is selling new motor vehicles, but who may also buy nonrepairable and salvage motor vehicles to repair and sell;

(2) used automobile dealer, defined as a person whose primary business is selling used motor vehicles, but who may also buy salvage and nonrepairable motor vehicles to repair and sell;

1 (3) used vehicle parts dealer, defined as a person who is
2 engaged in the business of acquiring, possessing, or
3 transferring used parts in the ordinary course of business;

4 (4) salvage pool operator, defined as a person who is
5 engaged in the business of selling nonrepairable motor vehicles
6 or salvage motor vehicles at auction, including wholesale
7 auction;

8 (5) salvage vehicle broker, defined as a person who buys,
9 sells, or exchanges salvage and nonrepairable motor vehicles
10 with other licensed salvage vehicle dealers; or

11 (6) salvage vehicle rebuilder, defined as a person who
12 acquires and repairs, rebuilds, or reconstructs for operation on
13 a public highway three or more salvage motor vehicles in a
14 calendar year.

15 (c) Exemptions. The provisions of this subchapter do not
16 apply to:

17 (1) a person who purchases not more than five
18 nonrepairable or salvage motor vehicles at casual sale in a
19 calendar year from:

20 (A) a salvage vehicle dealer;

21 (B) a salvage pool operator at auction; or

22 (C) an insurance company at auction;

23 (2) a metal recycler, as described by §17.71(6) of this

1 subchapter unless a motor vehicle is sold, transferred,
2 released, or delivered to the metal recycler for the purpose of
3 reuse or resale as a motor vehicle or as a source of used parts,
4 and is used for that purpose;

5 (3) a person who casually repairs, rebuilds, or
6 reconstructs fewer than three salvage motor vehicles in the same
7 calendar year;

8 (4) a person who is a non-United States resident who
9 purchases nonrepairable or salvage motor vehicles~~[vehiele]~~ for
10 export only;

11 (5) an agency of the United States, an agency of this
12 state, or a local government;

13 (6) a financial institution or other secured party that
14 holds a security interest in a motor vehicle and is selling that
15 motor vehicle in the manner provided by law for the forced sale
16 of a motor vehicle;

17 (7) a receiver, trustee, administrator, executor,
18 guardian, or other person appointed by or acting pursuant to the
19 order of a court;

20 (8) a person selling an antique passenger car or truck
21 that is at least 25 years old or a collector selling a special
22 interest motor vehicle as defined in Transportation Code,
23 §683.077, if the special interest vehicle is at least 12 years

1 old; and

2 (9) a licensed auctioneer who, as a bid caller, sells or
3 offers to sell property to the highest bidder at a bona fide
4 auction under the following conditions:

5 (A) neither legal nor equitable title passes to the
6 auctioneer;

7 (B) the auction is not held for the purpose of avoiding
8 a provision of Occupations Code, Chapter 2302, or this
9 subchapter; and

10 (C) an auction is conducted of motor vehicles owned,
11 legally or equitably, by a person who holds a salvage vehicle
12 dealer's license and the auction is conducted at a location for
13 which a salvage vehicle dealer's license has been issued to that
14 person or at a location approved by the department under
15 §17.76(a) of this subchapter.

16

17 §17.73. Salvage Vehicle Dealer License.

18 (a) Assumed name. An applicant who will operate as a
19 salvage vehicle dealer under a name other than the name of that
20 applicant must use the name under which that applicant is
21 authorized to do business, as filed with the secretary of state
22 or county clerk, and the assumed name of that legal entity must
23 be recorded on the application form using the letters "DBA." If

1 an assumed name will be used, the applicant must submit a copy
2 of an assumed name certificate on file with the secretary of
3 state or county clerk at the time the application form is
4 submitted.

5 (b) Initial application. An applicant for a salvage
6 vehicle dealer license must apply on a form prescribed by the
7 department.

8 (1) Form of application for salvage vehicle dealer
9 license. The application form must be signed by the applicant,
10 be accompanied by the application fee, and include:

11 (A) the legal name, each business address, and each
12 business telephone number of the applicant;

13 (B) the name under which the applicant will do
14 business;

15 (C) the location, by number, street, and municipality,
16 of each office from which the applicant will conduct business;

17 (D) a statement indicating whether the applicant has
18 previously applied for a salvage vehicle dealer license under
19 this section, the result of the previous application, and
20 whether the applicant has ever been the holder of a salvage
21 vehicle dealer license that was revoked or suspended;

22 (E) an affidavit containing a statement that the
23 applicant has never been convicted of a felony or that it has

1 been at least three years since the termination of the
2 applicant's sentence, parole, mandatory supervision, or
3 probation for a felony conviction;

4 (F) three business association references;

5 (G) the applicant's date of birth;

6 (H) the applicant's federal tax identification number,
7 if any;

8 (I) [~~(H)~~] the applicant's state sales tax number;

9 (J) [~~(I)~~] the applicant's social security number if the
10 applicant is an individual; and

11 (K) [~~(J)~~] each classification of license for which the
12 form is being submitted.

13 (2) Corporate salvage vehicle dealer license. If a
14 salvage vehicle dealer license applicant intends to engage in
15 business through a corporation, the applicant must apply on a
16 form prescribed by the department.

17 (A) Form of application. The form must indicate the
18 name of the corporation, as it appears on file with the
19 secretary of state, be signed by the applicant, be accompanied
20 by the application fee, and include:

21 (i) the name, each business address, and each
22 business telephone number of the corporation;

23 (ii) the name under which the corporation will do

1 business;

2 (iii) the location, by number, street, and
3 municipality, of each office from which the corporation will
4 conduct business;

5 (iv) the state of incorporation;

6 (v) a statement indicating whether any employee,
7 officer, or director has previously applied for a salvage
8 vehicle dealer license under this section, the result of the
9 previous application, and whether an employee, officer, or
10 director has ever been the holder of a salvage vehicle dealer
11 license that was revoked or suspended;

12 (vi) an affidavit containing a statement that no
13 officer or director has ever been convicted of a felony or that
14 it has been at least three years since the termination of any
15 officer or director's sentence, parole, mandatory supervision,
16 or probation for a felony conviction;

17 (vii) three business association references;

18 (viii) the applicant's federal tax identification
19 number, if any;

20 (ix) the applicant's state sales tax number;

21 (x) the legal name, address, date of birth, and
22 social security number of each of the principal officers and
23 directors of the corporation; and

1 (xi) each classification of license for which the
2 form is being submitted.

3 (B) Verification of corporate franchise taxes. At the
4 time the application is submitted, the corporation must also
5 provide verification that all corporate franchise taxes have
6 been paid.

7 (3) Partnership salvage vehicle dealer license. If a
8 salvage vehicle dealer license applicant intends to engage in
9 business through a partnership, the applicant must apply on a
10 form prescribed by the department. The form must be signed by
11 the applicant, be accompanied by the application fee, and
12 include:

13 (A) the name, each business address, and each business
14 telephone number of the partnership;

15 (B) the name under which the partnership will do
16 business;

17 (C) the location, by number, street, and municipality,
18 of each office from which the partnership will conduct business;

19 (D) a statement indicating whether an owner, partner,
20 or employee has previously applied for a salvage vehicle dealer
21 license under this section, the result of the previous
22 application, and whether an owner, partner, or employee has ever
23 been the holder of a salvage vehicle dealer license that was

1 revoked or suspended;

2 (E) an affidavit containing a statement that no owner
3 or partner has ever been convicted of a felony or it has been at
4 least three years since the termination of any owner or
5 partner's sentence, parole, mandatory supervision, or probation
6 for a felony conviction of each owner or partner;

7 (F) three business association references;

8 (G) the partnership's federal tax identification
9 number, if any;

10 (H) the partnership's state sales tax number;

11 (I) the legal name, address, date of birth, and social
12 security number of each owner and partner; and

13 (J) each classification of license for which the form
14 is being submitted.

15 (c) Fee. The fee for each salvage vehicle dealer license
16 is \$95.

17

18 \$17.79. Licensee Duties.

19 (a) Evidence of ownership.

20 (1) A salvage vehicle dealer must receive a properly
21 assigned certificate of title when acquiring ownership of a
22 nonrepairable or salvage motor vehicle.

23 (2) A salvage vehicle dealer licensed as a used vehicle

1 parts dealer may not receive a motor vehicle unless the dealer
2 first obtains a certificate of authority, sales receipt, or
3 transfer document in accordance with Transportation Code,
4 Chapter 683, or a certificate of title showing that there are no
5 liens on the motor vehicle or that all recorded liens have been
6 released.

7 (b) Dismantled, scrapped, or destroyed motor vehicle.

8 (1) A salvage vehicle dealer that acquires ownership of a
9 nonrepairable or salvage motor vehicle for the purpose of
10 dismantling, scrapping, or destroying the motor vehicle, shall,
11 not later than the 30th day after the motor vehicle is acquired,
12 submit to the department:

13 (A) a report, on a form prescribed by the department:

14 (i) stating that the motor vehicle will be
15 dismantled, scrapped, or destroyed; and

16 (ii) certifying that all unexpired license plates and
17 registration validation stickers have been removed from the
18 motor vehicle, in accordance with Occupations Code, §2302.252;
19 and

20 (B) surrender to the department the properly assigned
21 ownership document.

22 (2) Not later than 60 days after the motor vehicle is
23 dismantled, scrapped, or destroyed, the salvage vehicle dealer

1 shall report to the department and provide evidence that the
2 motor vehicle has been dismantled, scrapped, or destroyed.

3 (3) The salvage vehicle dealer shall:

4 (A) maintain records of each motor vehicle that is
5 dismantled, scrapped or destroyed, as provided by §17.80(d) of
6 this subchapter; and

7 (B) store all unexpired license plates and registration
8 validation stickers removed from those vehicles in a secure
9 location.

10 (4) The salvage vehicle dealer may destroy the license
11 plates and registration validation stickers to the vehicles
12 reported under paragraph (1)(A) of this subsection upon receipt
13 of the acknowledged report from the department.

14 (c) (No change.)

15 (d) Sale restrictions.

16 (1) Water-damaged motor vehicles. A motor vehicle that
17 is classified as a nonrepairable motor vehicle or salvage motor
18 vehicle based solely on flood damage may be sold or transferred
19 only as provided by this subsection.

20 (2) Sale, transfer, or release of nonrepairable or
21 salvage motor vehicle. A salvage vehicle dealer or agent may
22 sell, transfer, or release a nonrepairable motor vehicle or
23 salvage motor vehicle if a nonrepairable or salvage vehicle

1 title or a comparable out-of-state ownership document:

2 (A) has been issued for the motor vehicle to anyone; or

3 (B) has not been issued for the motor vehicle, but only

4 to:

5 (i) an insurance company,

6 (ii) a governmental entity;

7 (iii) a licensed salvage vehicle dealer;

8 (iv) an out-of-state buyer; or

9 (v) a metal recycler.

10 (3) Casual sales. A salvage vehicle dealer, including a
11 salvage pool operator who sells motor vehicles at auction, may
12 sell up to five nonrepairable or salvage motor vehicles in a
13 casual sale to a person in a calendar year and shall maintain
14 records of each casual sale as provided by §17.80(e) of this
15 subchapter.

16 (4) Export-only sales. A salvage vehicle dealer,
17 including a salvage pool operator acting as agent for an
18 insurance company, may sell a nonrepairable or salvage motor
19 vehicle to a person who resides in a jurisdiction outside the
20 United States only as provided by §17.67(f) of this chapter
21 (relating to Sale, Transfer, or Release of Ownership of a
22 Nonrepairable or Salvage Motor Vehicle) and shall maintain
23 records of each export-only sale as provided by §17.80(f) of

1 this subchapter.