TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

ALL Districts

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §17.3, motor vehicle certificates of title, new §17.8, landowner's lien, and amendments to §17.23, temporary registration permits, all relating to motor vehicle registration, to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed amendments and new section, attached to this minute order as Exhibits A - C, 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 §17.3, new §17.8, and amendments to §17.23, 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:

Director, Vehicle Titles and Registration Division

Recommended by:

Interim Executive Director

111076 SEP 2707

Minute Number

Date Passed

Proposed Preamble

The Texas Department of Transportation (department) proposes amendments to §17.3, concerning motor vehicle certificates of title, new §17.8, concerning landowner's lien, and amendments to §17.23, concerning temporary registration permits for motor vehicles.

EXPLANATION OF PROPOSED AMENDMENTS AND NEW SECTION

The proposed amendments and new section are necessary to implement the provisions of House Bills [] 481, 1260, 2931, and 3437 of the 80th Legislature, Regular Session, 2007; update statutory references; clarify existing information; and remove unnecessary language.

[ ]

House Bill 481 amended Transportation Code, Chapter 520 to expand the methods by which a vehicle transfer notification may be submitted to the department by providing for electronic submission through the department's internet website. Written notification may also be submitted to the department by mail or in person at one of the department's regional offices.

House Bill 1260 added Government Code, §431.039 to create a title transfer fee exemption for certain military personnel that have been deployed to hostile fire zones.

House Bill 2931 added Property Code, Chapter 70, Subchapter F to create a method by which a landowner may obtain and perfect a lien against a motor vehicle that has damaged the landowners' fence.

House Bill 3437 allowed counties that meet certain criteria to impose an additional fee of up to $10 to fund transportation projects within the county. At present, Hidalgo and Cameron counties are the only counties that meet the criteria.

The amendments correct the existing rules to ensure they are consistent with all the statutory changes. In addition, clarification of current policy has been added, nonsubstantive corrections in statutory citations have been made, and unnecessary language has been removed.

Amendments to §17.3(a)(3) reformat the language to explain that Transportation Code, §501.036 provides for optional titling of farm semitrailers.

Amendments to §17.3(a)(4) make the language consistent with the definition of "motor vehicle" found in Transportation Code, §501.002(14) and §17.3(a)(4)(C)(i) adds "manufactured home or" to make the language consistent with the terms used in

Occupations Code, Chapter 1201. New clause (iv) of §17.3(a)(4)(C) is added to explain the existing requirements for title and registration of a park model type trailer. The existing requirements are necessary due to federal regulations.

The amendment to §17.3(b)(2)(I) deletes language that is no longer necessary. The department's registration and title system has been implemented statewide and all counties have implemented the automated registration and title system.

As required by House Bill 1260, amendments to §17.3(d), Certificate of Title Issuance, reformat the language to add a new subsection (1) providing an exemption from the payment of title application fees for certain military personnel that are being deployed. Subsequent subsections are renumbered accordingly.

Amendments to §17.3(e), Replacement of certificate of title, more clearly explain the existing fees for obtaining a certified copy of a certificate of title.

Amendments to §17.3(f), Department notification of second hand vehicle transfers, provides a specific statutory citation, broadens how transfer notifications may be submitted as required by House Bill 481, and eliminates unnecessary language by

deleting paragraphs (1) and (3) because they provided no additional information to that outlined in the statute. Subsequent paragraphs are renumbered accordingly.

New §17.8, Landowner's Lien, is added to comply with the requirements of House Bill 2931. The new section provides the requirements for recording and discharging a landowner's lien on a motor vehicle for payment of damages to the landowner's fence. Section 17.8 requires that the application for a certificate of title be accompanied by an original or certified copy of the court order so that the department can validate the lien. This section uses the release of lien procedure established under §17.3(h).

[ ]

Subsection 17.23(b)(2)(C)(ii) exempts applicants for an annual permit from the payment of the optional county fee for transportation projects provided for in the Transportation Code, §502.1725, as required by House Bill 3437.

[ ]

FISCAL NOTE

James Bass, Chief Financial Officer, has determined that for each of the first five years the amendments and new section as proposed are in effect, there will be no fiscal implications for state or local governments as a result of enforcing or administering the amendments and new section. The amendments to

these rules that deal with fees are required by statutory changes. The department is proposing the amendments to comply with current statutes.

Rebecca Davio, Director, Vehicle Titles and Registration Division, has certified that there will be no significant impact on local economies or overall employment as a result of enforcing or administering the amendments and new section.

PUBLIC BENEFIT

Ms. Davio has also determined that for each year of the first five years the sections are in effect, the public benefit anticipated as a result of enforcing or administering the amendments and new section will be to assist military personnel that have been deployed in taking care of their affairs; and allow a landowner to file a lien to recoup losses incurred from fence damage and related costs; and to allow foreign commercial vehicle operators to obtain proper registration credentials. There will be no adverse economic effect on small businesses.

SUBMITTAL OF COMMENTS

Written comments on the proposed amendments to §17.3, new §17.8, and amendments to §17.23 may be submitted to Rebecca Davio, Director, Vehicle Titles and Registration Division, Texas Department of Transportation, 125 East 11th Street, Austin,

Texas 78701-2483. The deadline for receipt of comments is 5:00 p.m. on November 12, 2007.

STATUTORY AUTHORITY

The amendments and new section are proposed under Transportation Code, §201.101, which provides the Texas Transportation Commission with the authority to establish rules for the conduct of the work of the department, and more specifically, Transportation Code, §501.131, which allows the department to adopt rules to administer Chapter 501, regarding titling of motor vehicles, and Transportation Code, §502.0021, which authorizes the department to adopt rules governing the issuance of motor vehicle registration.

CROSS REFERENCE TO STATUTE

Transportation Code, §502.1725, and §520.023,[] Government Code, §431.039, and Property Code, Chapter 70, Subchapter F.

SUBCHAPTER A. MOTOR VEHICLE CERTIFICATES OF TITLE

§17.3. Motor Vehicle Certificates of Title.

(a) Certificates of title. Unless otherwise exempted by law or this chapter, the owner of any motor vehicle that is required to be registered in accordance with Transportation Code, Chapter 502, shall apply for a Texas certificate of title in accordance with Transportation Code, Chapter 501.

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

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

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

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

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

(2) Farm vehicles.

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

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

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

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

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

(A) vehicles eligible for machinery license plates and permit license plates in accordance with Transportation Code, §504.504; and

(B) vehicles eligible for farm trailer license plates in accordance with Transportation Code, §502.163, unless the

owner chooses to title a farm semitrailer as provided by Transportation Code, §501.036 [~~with the exception of farm semitrailers with a gross weight of more than 4,000 pounds as referenced in subsection (a)(2)(D) of this section~~].

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

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

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

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

(i) A house trailer-type vehicle designed for living quarters and that is eight body feet or more in width or forty body feet or more in length (not including the hitch), is classified as a manufactured home or mobile home and is titled under the Texas Manufactured Housing Standards Act, Occupations Code, Chapter 1201, administered by the Texas Department of Housing and Community Affairs.

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

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

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

feet in width or forty feet in length, the title will include a brand to indicate that an oversize permit must be obtained to move the trailer on the public roads.

(b) Initial application for certificate of title.

(1) Place of application. When motor vehicle ownership is transferred, except as provided by Transportation Code, Chapters 501 and 502 and by §17.63(a) of this chapter, a certificate of title application must be filed with the county tax assessor-collector in the county in which the applicant resides or in the county in which the motor vehicle was purchased or encumbered, as selected by the applicant.

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

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

(i) year;

(ii) make;

(iii) model;

(iv) identification number;

(v) body style;

(vi) manufacturer's rated carrying capacity in tons

for commercial motor vehicles; and

(vii) empty weight;

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

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

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

(E) name and complete address of the applicant;

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

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

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

(I) applicant’s social security number[~~, if the application is filed in a county in which the department’s automated registration and title system has been implemented,~~] with the following exceptions:

(i) an application filed in the name of an entity

that does not have a social security number, or

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

(3) Serial number. If no serial number is die-stamped by the manufacturer on a motor vehicle, house trailer, trailer, semitrailer, or item of equipment required to be titled, or if the serial number assigned and die-stamped by the manufacturer has been lost, removed, or obliterated, the department will on proper application, presentation of evidence of ownership, and presentation of evidence of a law enforcement physical inspection, assign a serial number to the motor vehicle, trailer, or equipment. The manufacturer's serial number or the assigned serial number will be used by the department as the major identification of the motor vehicle or trailer in the issuance of a certificate of title.

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

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

(B) an odometer disclosure statement properly executed

by the seller of the motor vehicle and acknowledged by the purchaser, if applicable;

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

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

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

(i) A lien recorded on out-of-state evidence as described in subsection (c) of this section cannot be carried forward to a Texas title when there is a transfer of ownership, unless a release of lien or authorization from the lienholder is attached.

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

(c) Evidence of motor vehicle ownership. Evidence of motor

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

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

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

(i) motor vehicle description including, but not limited to, the motor vehicle's year, make, model, identification number, body style and empty weight;

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

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

(B) When a motor vehicle manufactured in another country is sold directly to a person other than a manufacturer's

representative or distributor, the manufacturer's certificate of origin must be assigned to the purchaser by the seller.

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

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

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

(B) verification of the vehicle identification number of the vehicle, on a form prescribed by the department, executed by a member of:

(i) the National Insurance Crime Bureau;

(ii) the Federal Bureau of Investigation; or

(iii) a law enforcement auto theft unit; and

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

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

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

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

(iv) a written confirmation that a physical

inspection of the safety certification label has been made by the department and that the motor vehicle meets United States motor vehicle safety standards;

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

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

(4) Alterations to documentation. An alteration to a registration receipt, certificate of title, manufacturer's certificate, or other evidence of ownership constitutes a valid reason for the rejection of any transaction to which altered evidence is attached.

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

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

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

(i) incomplete or altered vehicle identification number;

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

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

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

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

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

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

(5) Rights of survivorship. A signed "rights of survivorship" agreement may be executed by a natural person acting in an individual capacity in accordance with

Transportation Code, §501.031.

(d) Certificate of title issuance.

(1) Issuance. The department or its designated agent will issue a receipt and process the application for certificate of title on receipt of:

(A) a completed application for certificate of title;

(B) accompanying documentation required by subsections (b)(4) and (c) of this section;

(C) the statutory fee for a title application, unless exempt under:

(i) Transportation Code, §501.138; or

(ii) Government Code, §431.039 and copies of official military orders are presented as evidence of the applicant's active duty status and deployment orders to a hostile fire zone; and

(D) any other applicable fees [~~On receiving a completed application for certificate of title, along with the statutory fee for a title application and any other applicable fees, the department or its designated agent will issue a receipt and process the application for certificate of title~~].

(2) [~~(1)~~] Titles. The department will issue and mail or deliver a certificate of title to the applicant or, in the event that there is a lien disclosed in the application, to the first

lienholder.

(3) [~~(2)~~] Receipt. The receipt issued at the time of application for title may be used only as evidence of title and may not be used to transfer any interest or ownership in a motor vehicle or to establish a new lien.

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

(1) Certified copy.

(A) Issuance. An application for a certified copy must be properly executed and supported by appropriate verifiable proof for the vehicle owner, lienholder, or agent regardless of whether the application is submitted in person or by mail.

(i) If the applicant requests that a certified copy be issued before the fourth business day following application, the application must be made in person.

(ii) An applicant other than the vehicle owner, lienholder, or verified agent must apply for a certified copy of a certificate of title by mail.

(B) Denial. If issuance of a certified copy is denied,

the applicant may resubmit the request with the required verifiable proof or may pursue the privileges available in subsection (g)(2)(A) and (B) of this section.

(2) Certified copy designation. A certified copy of an existing certificate of title will be marked "Certified Copy" until ownership of the vehicle is transferred, when the words "Certified Copy" will be eliminated from the new certificate of title.

(3) Fees. The fee for obtaining a certified copy of a certificate of title is $2.00 if the application is submitted to the department by mail [~~processed at the department's headquarters office~~] and $5.45 if the application is submitted in person for expedited processing [~~processed~~] at one of the department's regional offices.

(f) Department notification of second hand vehicle transfers. A transferor of a motor vehicle may voluntarily make written notification to the department of the sale of the vehicle, in accordance with Transportation Code, §520.023 [~~Chapter 520, Subchapter C, and this subsection~~]. The written notification may be submitted to the department by mail, in person at one of the department's regional offices, or electronically through the department's Internet website.

[~~(1) Notification form. The department will provide a~~

~~form for written notice of transfer. The form will include the:~~]

[~~(A) vehicle identification number of the vehicle;~~]

[~~(B) license plate number issued to the vehicle, if any;~~]

[~~(C) full name and address of the transferor;~~]

[~~(D) full name and address of the transferee;~~]

[~~(E) date the transferor delivered possession of the vehicle to the transferee;~~]

[~~(F) signature of the transferor; and~~]

[~~(G) date the transferor signed the form.~~]

(1) [~~(2)~~] Records. On receipt of written notice of transfer from the transferor of a motor vehicle, the department will mark its records to indicate the date of transfer and will maintain a record of the information provided on the written notice of transfer.

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

[~~(A) the owner of the vehicle; and~~]

[~~(B) subject to civil and criminal liability arising out of the use, operation, or abandonment of the vehicle, to the extent that ownership of the vehicle subjects the owner of the~~

~~vehicle to criminal or civil liability under another provision of the law.~~]

(2) [~~(4)~~] Certificate of title issuance. A certificate of title will not be issued in the name of a transferee until the transferee files an application for the certificate of title as described in this section.

(g) Suspension, revocation, or refusal to issue Certificates of Title.

(1) Grounds for title suspension, revocation, or refusal to issue. The department will refuse issuance of a certificate of title, or having issued a certificate of title, will suspend or revoke the certificate of title if the:

(A) application contains any false or fraudulent statement;

(B) applicant has failed to furnish required information requested by the department;

(C) applicant is not entitled to the issuance of a certificate of title under Transportation Code, Chapter 501;

(D) department has reasonable grounds to believe that the vehicle is a stolen or converted vehicle or that the issuance of a certificate of title would constitute a fraud against the rightful owner or a lienholder;

(E) registration of the vehicle stands suspended or

revoked; or

(F) required fee has not been paid.

(2) Contested case procedure. Any person who has an interest in a motor vehicle to which the department has refused to issue a certificate of title or has suspended or revoked the certificate of title may contest the department's decision in accordance with Transportation Code, §501.052 and §501.053, in the following manner.

(A) Hearing. Any person who has an interest in a motor vehicle to which the department has refused to issue a certificate of title or has suspended or revoked the certificate of title may apply for a hearing to the designated agent of the county in which the applicant resides. At the hearing the applicant and the department may submit evidence, and a ruling of the designated agent will bind both parties. An applicant wishing to appeal the ruling of the designated agent may do so to the County Court of the county in which the applicant resides.

(B) Alternative to hearing. In lieu of a hearing, any person who has an interest in a motor vehicle to which the department has refused to issue a certificate of title or has suspended or revoked a certificate of title may file a bond with the department, in an amount equal to one and one-half times the

value of the vehicle as determined by the department, and in a form prescribed by the department. On the filing of the bond, the department may issue a certificate of title. The bond shall expire three years after the date it becomes effective and will be returned to the person posting bond, on expiration, unless the department has been notified of the pendency of an action to recover on the bond.

(h) Discharge of lien. A lienholder shall provide the owner, or the owner's designee, a discharge of the lien after receipt of the final payment within the time limits specified in Transportation Code, Chapter 501. The lienholder shall submit one of the following documents:

(1) the certificate of title including an authorized signature in the space reserved for release of lien;

(2) a release of lien form prescribed by the department, with the form filled out to include the:

(A) certificate of title or document number, or a description of the motor vehicle including, but not limited to, the motor vehicle's:

(i) year;

(ii) make;

(iii) vehicle identification number; and

(iv) license plate number, if the motor vehicle is

subject to registration under Transportation Code, Chapter 502;

(B) printed name of lienholder;

(C) signature of lienholder or an authorized agent;

(D) printed name of the authorized agent if the agent's signature is shown;

(E) telephone number of lienholder; and

(F) date signed by the lienholder;

(3) signed and dated correspondence submitted on company letterhead that includes:

(A) a statement that the lien has been paid;

(B) a description of the vehicle as indicated in paragraph (2)(A) of this subsection;

(C) a certificate of title or document number; or

(D) lien information;

(4) any out-of-state prescribed release of lien form, including an executed release on a lien entry form;

(5) out-of-state evidence with the word "Paid" or "Lien Satisfied" stamped or written in longhand on the face, followed by the name of the lienholder, countersigned or initialed by an agent, and dated; or

(6) original security agreements or copies of the original security agreements if the originals or copies are stamped "Paid" or "Lien Satisfied" with a company paid stamp or

if they contain a statement in longhand that the lien has been paid followed by the company’s name.

§17.8. Landowner's Lien.

(a) Filing of lien. Pursuant to Property Code, Chapter 70, Subchapter F, a landowner may file a lien against the motor vehicle of a person who damages the landowner's fence with the motor vehicle upon issuance of a court ordered judgment.

(b) Perfection. The landowner's lien must be perfected in accordance with Transportation Code, Chapter 501, Subchapter F. The applicant must file an application for certificate of title through a county tax assessor-collector on a form prescribed by the department. The application must be accompanied by an original or certified copy of the court order and the statutory fee for a title application.

(c) Release of Lien. Upon receipt of the final payment, the landowner must provide the vehicle owner with a discharge of lien in accordance with §17.3(h) of this chapter.

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

§17.23. Temporary Registration Permits.

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

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

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

ranch exclusively for use on such farm or ranch.

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

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

(C) The statutory fee for an additional weight permit is based on a percentage of the difference between the owner's regular annual registration fee and the annual fee for the desired tonnage computed as follows:

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

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

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

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

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

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

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

(2) Annual permits.

(A) Transportation Code, §502.353, authorizes the department to issue annual permits to provide for the movement of foreign commercial vehicles that are not authorized to travel on Texas highways for lack of registration or for lack of reciprocity with the state or country in which the vehicles are registered. The department will issue annual permits:

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

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

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

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

(i) Registered foreign semitrailers having gross weights in excess of 6,000 pounds used or to be used in combination with truck tractors or commercial motor vehicles

with manufacturer's rated carrying capacities in excess of one ton are exempted from the requirement to pay the token fee and display the associated distinguishing license plate provided for in Transportation Code, §502.167. An annual permit is required for the power unit only.

(ii) Vehicles registered with annual permits are not subject to the optional county registration fee under Transportation Code, §502.172, the optional county fee for transportation projects under Transportation Code, §502.1725 or the optional registration fee for child safety under Transportation Code, §502.173.

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

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

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

(C) Vehicles displaying 72-hour permits or 144-hour permits are subject to vehicle safety inspection in accordance

with Transportation Code, §548.051, except for:

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

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

(D) The department will not issue a 72-hour permit or a 144-hour permit to a commercial motor vehicle, trailer, semitrailer, or motor bus apprehended for violation of Texas registration laws. Apprehended vehicles must be registered under Transportation Code, Chapter 502.

(4) Temporary agricultural permits.

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

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

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

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

(i) marketed or processed in Texas; or

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

(C) The statutory fee for temporary agricultural permits is one-twelfth of the annual Texas registration fee prescribed for the vehicle for which the permit is issued.

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

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

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

(5) One-trip permits. Transportation Code, §502.354, authorizes the department to temporarily register any unladen

vehicle upon application to provide for the movement of the vehicle for one trip, when the vehicle is subject to Texas registration and not authorized to travel on the public roadways for lack of registration or lack of registration reciprocity.

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

(B) The department will issue a one-trip permit to a bus which is not covered by a reciprocity agreement with the state or country in which it is registered to allow for the transit of the vehicle only. The vehicle should not be used for the transportation of any passenger or property, for compensation or otherwise, unless such bus is operating under charter from another state or country.

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

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

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

(6) 30-day temporary registration permits.

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

(A) passenger vehicles;

(B) motorcycles;

(C) private buses;

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

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

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

(c) Application process.

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

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

(A) the signature of the owner;

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

(C) the vehicle description.

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

(A) statutorily prescribed fees;

(B) evidence of financial responsibility:

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

(ii) if the applicant is a motor carrier as defined by §18.2 of this title (relating to Definitions), indicating that the vehicle is registered in compliance with Chapter 18, Subchapter B of this title; and

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

(4) Place of application.

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

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

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

(d) Display of registration insignia. The department will issue a specially designed cardboard tag or windshield validation sticker, upon receipt of a complete application for a permit.

(1) Cardboard tags shall be displayed in a manner that is clearly visible and legible when viewed from outside of the vehicle. The tag shall be attached to or displayed in the vehicle to allow ready inspection.

(2) Windshield validation stickers shall be displayed on the inside of the front windshield in the lower left corner.

(3) A receipt will be issued for each registration insignia as evidence of registration to be carried in the vehicle during the time the permit is valid. If the receipt is lost or destroyed, the owner must obtain a duplicate from the department or from the county office who issued the original receipt. The fee for the duplicate receipt is the same as the fee required by Transportation Code, §502.179.

(e) Transfer of temporary registration permits.

(1) Temporary registration permits are non-transferable

between vehicles and/or owners.

(2) If the owner of a vehicle displaying a temporary registration permit disposes of the vehicle during the time the permit is valid, the permit must be returned to the department immediately.

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

(1) The fee for a replacement annual permit is the same as for a replacement number plate, symbol, tab, or other device as provided by Transportation Code, §502.184, as amended.

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

(g) Agreements with other jurisdictions. In accordance with Transportation Code, §502.054 and Chapter 648, the executive director of the department may enter into a written agreement with an authorized officer of a state, province, territory, or possession of a foreign country to provide for the exemption from payment of registration fees by nonresidents if residents of this state are granted reciprocal exemptions. The executive director may enter into such agreement only upon:

(1) the approval of the governor; and

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

(h) Exemptions. A foreign commercial vehicle operating in accordance with Transportation Code, Chapter 648 is exempt from the display of a temporary registration permit if:

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

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

(A) not more than 24 hours; or

(B) not more than 48 hours, if:

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

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

(C) the vehicle is registered and licensed as required by the law of another state or country as evidenced by a valid metal license plate attached to the front or rear exterior of the vehicle; and

(D) the country in which the person who owns or

controls the vehicle is domiciled or is a citizen, provides a reciprocal exemption for commercial motor vehicles owned or controlled by residents of Texas.