

The amendments are adopted under Transportation Code, §1002.001, which provides the board of the Texas Department of Motor Vehicles (board) with the authority to adopt rules that are necessary and appropriate to implement the powers and the duties of the department under the Transportation Code; and more specifically, Transportation Code, §503.002, which authorizes the board to adopt rules to administer Chapter 503, Dealer's and Manufacturer's Vehicle License Plates.

#### CROSS REFERENCE TO STATUTE

Transportation Code, §§503.029, 503.030, and 503.032.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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### 43 TAC §215.155

The Texas Department of Motor Vehicles (department) adopts an amendment to Chapter 215, Motor Vehicle Distribution, Subchapter E, General Distinguishing Numbers, §215.155, Buyer's Temporary Tags without changes to the proposed text as published in the March 24, 2017, issue of the *Texas Register* (42 TexReg 1392). The rule will not be republished.

#### EXPLANATION OF ADOPTED AMENDMENT

Transportation Code, §503.063(g) requires a dealer to charge the buyer a fee of not more than \$5 as prescribed by the department for each buyer's temporary tag issued. The statute directs this fee to be sent to the comptroller for deposit to the credit of the Texas Department of Motor Vehicles fund.

The amendment adds subsection (f) to §215.155, Buyer's Temporary Tags. Subsection (f) establishes the \$5 fee and clarifies that if the vehicle is sold to an out-of-state buyer and the dealer is making payment through the department's electronic title system, the entire fee shall be remitted to the department for deposit to the credit of the Texas Department of Motor Vehicles fund. All other buyer's temporary tag fees shall be remitted to the county for deposit to the credit of the Texas Department of Motor Vehicles fund. The amendment also clarifies that the buyer's temporary tag fee shall not be charged if the vehicle is exempt from payment of certain registration fees (exempt registration, all-terrain vehicle or recreational off-highway vehicle or off-highway motorcycle).

#### COMMENT

The department received a comment from Amber Hackett Crosby on behalf of the Texas Independent Automobile Dealers Association (TIADA). TIADA is in support of the department's proposed amendments to codify the existing practice for remitting buyer's temporary tag fees when a vehicle is sold to an out-of-state buyer.

#### STATUTORY AUTHORITY

The amendment is adopted under Transportation Code, §1002.001, which provides the board of the Texas Department of Motor Vehicles with the authority to adopt rules that are necessary and appropriate to implement the powers and the duties of the department; and more specifically, Transportation Code, §503.002, which authorizes the board to adopt rules to administer Chapter 503, Dealer's and Manufacturer's Vehicle License Plates and Transportation Code, §503.063, which authorizes the department to establish the buyer's temporary tag fee by rule.

#### CROSS REFERENCE TO STATUTE

Transportation Code, §503.0631 and §503.068.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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## CHAPTER 217. VEHICLE TITLES AND REGISTRATION

### SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

#### 43 TAC §217.56

The Texas Department of Motor Vehicles (department) adopts amendments to Chapter 217, Vehicle Titles and Registration, Subchapter B, Motor Vehicle Registration, §217.56, Registration Reciprocity Agreements without changes to the proposed text as published in the March 24, 2017, issue of the *Texas Register* (42 TexReg 1393). The rule will not be republished.

#### EXPLANATION OF ADOPTED AMENDMENTS

Amendments to §217.56 adopt by reference the current versions of the International Registration Plan (IRP) and the IRP Audit Procedures Manual. Amendments also correct language that is inconsistent with the IRP, and list the sources of the department's authority to cancel or revoke registration under §217.56.

#### COMMENTS

No comments on the proposed amendments were received.

#### STATUTORY AUTHORITY

The amendments are adopted under Transportation Code, §1002.001, which provides the board of the Texas Department of Motor Vehicles with the authority to adopt rules that are necessary and appropriate to implement the powers and the duties of the department; and more specifically, Transportation Code, §502.091(b), which authorizes the department to adopt rules to carry out the IRP.

#### CROSS REFERENCE TO STATUTE

Transportation Code, §502.091.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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## CHAPTER 218. MOTOR CARRIERS

The Texas Department of Motor Vehicles (department) adopts amendments to Chapter 218, Motor Carriers, Subchapter B: §218.13, Application for Motor Carrier Registration, and §218.17, Unified Carrier Registration System; Subchapter E: §218.56, Proposals and Estimates for Moving Services; §218.57, Moving Services Contract; and §218.65, Tariff Registration; and Subchapter F: §218.73, Administrative Proceedings. The department also adopts Subchapter F: the repeal of §218.74, Settlement Agreements, and new §218.75, Cost of Preparing Agency Record. Sections 218.17, 218.56, 218.57, 218.65, 218.73, 218.74, and 218.75 are adopted without changes to the proposed text as published in the April 7, 2017, issue of the *Texas Register* (42 TexReg 1876) and will not be republished. Section 218.13 is adopted with changes to the published proposed text and will be republished. The changes make terminology in §218.13 consistent with terminology in this chapter and convert certain words into the possessive form.

### EXPLANATION OF ADOPTED AMENDMENTS, NEW SECTION, AND REPEAL

Most of the amendments resulted from over 16 meetings of department staff who are members of the Motor Carrier Credentialing System (MCCS) Working Group. The mission of the MCCS Working Group is to expand the web-enabling capabilities of MCCS and to facilitate certain enhancements to MCCS through an orderly and reasoned process. The overriding purposes of the MCCS Working Group meetings to date were to: 1) improve the credentialing process to protect the consumers who use the services of motor carriers; and 2) automate the credentialing process to ultimately enable all motor carriers to apply online through MCCS to obtain operating authority.

The amendments to §218.13 require the motor carrier applicants to provide additional information and documents, which will protect the consumers and improve safety by helping the department and law enforcement to identify the motor carrier. For example, applicants who are individuals will be required to provide information from a list of identification documents, so the department can verify the identity of the individual. Applicants who are entities will be required to provide their Texas Comptroller's Taxpayer Number or their Federal Employer Identification Number, which will help the department identify the applicant and verify whether the applicant is a valid legal entity by using databases from other state agencies, such as the Texas Secretary of State's Office.

The amendments also help the department administer and enforce Chapter 218 and Transportation Code, Chapter 643.

For example, the amendments help the department determine whether the applicant is a chameleon carrier or reincarnated carrier, which is a carrier that attempts to reinvent itself or to operate affiliated companies to avoid the consequences of prior violations of the laws, rules, and/or regulations. The people who operate chameleon carriers will create a new business entity or operate affiliated companies because they would not qualify for a certificate of registration because of a prior revocation or unpaid penalties for prior violations. See Transportation Code, §643.054(a-1) and §643.2525(k) and (l). One of the amendments requires all applicants to complete the New Applicant Questionnaire, which helps the department comply with Transportation Code, §643.054. Section 643.054 authorizes the department to deny registration if the applicant is a chameleon carrier.

The Federal Motor Carrier Safety Administration (FMCSA) passed regulations to deal with chameleon carriers and cited to a fatal bus crash in Sherman, Texas in 2008, in which at least 17 people died and dozens of people were injured. The motor carrier involved in the bus crash was a reincarnation of another bus company that FMCSA had recently placed out of service. See 77 Fed. Reg. 24865 (April 26, 2012).

The amendments help the department comply with Family Code, §231.302, which requires state agencies to require license applicants to provide their social security number if they are an individual. The department is required to provide any social security numbers to the Texas Office of the Attorney General upon request. One amendment requires entities to provide either their Texas Comptroller's Taxpayer Number or their Federal Employer Identification Number, which will help the department verify whether an applicant is really a legal entity or an individual. If the applicant is an individual, the department requires the individual to provide a social security number, as required by Family Code, §231.302.

The amendments also require the motor carriers that obtain a certificate of registration to review certain information, such as their physical address, in MCCS every six months and to update the information if it is no longer correct. The department's Enforcement Division, as well as law enforcement, need certain current information to contact motor carriers to investigate, inspect records, and take any necessary enforcement action. Some motor carriers have had the same active certificate of registration for tens of years, and they may forget to update their contact information. The department's Enforcement Division has attempted to investigate certain motor carriers by going to the address on file with the department, only to find an empty parking lot at the address.

The amendments require household goods carriers and passenger carriers to provide a copy of the lease and certain information about the lessor, so the department can link a vehicle to the motor carrier that is leasing the vehicle and so the department can verify that the vehicle is registered under Transportation Code, Chapter 643. Household goods carriers and passenger carriers have more opportunity to cause harm to their customers, so the department needs more information from these carriers to protect the customers, as well as the traveling public. For example, if a household goods carrier leases a U-Haul truck that is used to steal a consumer's household goods, the lease information will help the department, as well as law enforcement, link the leased vehicle to the motor carrier.

An amendment requires household goods carriers to certify that they have procedures that comply with Code of Criminal Pro-