



Texas Department *of* Motor Vehicles
HELPING TEXANS GO. HELPING TEXAS GROW.

Motor Vehicle Industry Regulation Advisory Committee

1:30 P.M.
Monday, December 8, 2025

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AGENDA
MOTOR VEHICLE INDUSTRY REGULATION ADVISORY COMMITTEE MEETING
TEXAS DEPARTMENT OF MOTOR VEHICLES
4000 JACKSON AVE., BUILDING 1, LONE STAR CONFERENCE ROOM
AUSTIN, TEXAS 78731
OPEN MEETING VIA
TELECONFERENCE CALL
PURSUANT TO GOVERNMENT CODE §551.125
MONDAY, DECEMBER 8, 2025
1:30 P.M.

THIS MEETING WILL BE HELD REMOTELY VIA TELECONFERENCE CALL

The physical location of the meeting will be the Lone Star Conference Room of Building 1, 4000 Jackson Avenue, Austin, Texas 78731, where the teleconference call will be audible to the public.

Teleconference Instructions:

Attendee Join Link (Copy and Paste **ENTIRE** Link in Browser):

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MDImZiE5OTMtZTNiOC00MGIwLWlyYTYtYTBmYTEyNWExZWYw%40thread.v2/0?context=%7b%22Tid%22%3a%2272719f70-3533-46b3-9456-ec1235143768%22%2c%22Oid%22%3a%222a4b4fd8-2faa-4d9b-be2d-c9bd0421169d%22%7d

Meeting ID: 262 938 360 938 7

Passcode: 8sS6Mq2f

Dial in by phone for Public Attendees

1 737-787-8456, 589764573# United States, Austin

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Link to December 8, 2025, TxDMV Motor Vehicle Industry Regulation Advisory Committee Meeting Documents: <https://www.txdmv.gov/about-us/txdmv-board-meetings>

All agenda items are subject to possible discussion, questions, consideration, and action by the Motor Vehicle Industry Regulation Advisory Committee of the Texas Department of Motor Vehicles (Advisory Committee). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of consideration by the Advisory Committee. A quorum of the Board of the Texas Department of Motor Vehicles (board) may be present at this meeting for information-gathering purposes and discussion. However, board members will not vote on any

Advisory Committee agenda items, nor will any board action be taken.

1. **Roll Call and Establishment of Quorum**
2. **Welcoming Remarks** - Shelly Mellott (BRIEFING ONLY)
3. **Purpose, General Information, and Scope of the Advisory Committee** - TxDMV Office of General Counsel (BRIEFING ONLY)

SELECTION OF PRESIDING OFFICERS

4. **Nominations and Selection of Advisory Committee Presiding Officer** - TxDMV Office of General Counsel (ACTION ITEM)
5. **Nominations and Selection of First Vice Chair to Act as the Presiding Officer When the Presiding Officer is Not Available and to Make Presentations to the Board** - TxDMV Office of General Counsel (ACTION ITEM)
6. **Nominations and Selection of Second Vice Chair to Act as the Presiding Officer When the Presiding Officer and the First Vice Chair Are Not Available and to Gather and Organize Presentations to the Board** - TxDMV Office of General Counsel (ACTION ITEM)

DRAFT RULES FOR COMMITTEE CONSIDERATION

7. **Potential Proposed Amendments and New Rules regarding License Plates, Chapter 215, Motor Vehicle Distribution, §§215.82, 215.120, 215.152, and 215.154, and New §215.153 and §215.159** - Annette Quintero and Monique Johnston (BRIEFING AND DISCUSSION ONLY)
8. **Recommendations of Advisory Committee for Presentation to the Board on Potential Proposed New Rules regarding License Plates, Chapter 215, Motor Vehicle Distribution, §§215.82, 215.120, 215.152, and 215.154, and New §215.153 and §215.159** - TxDMV Office of General Counsel (ACTION ITEM)
9. **Potential Proposed New Rules regarding Licensing Requirements, Chapter 215, Motor Vehicle Distribution, §§215.104, 215.140, and 215.145, and New §215.107** - Monique Johnston (BRIEFING AND DISCUSSION ONLY)
10. **Recommendations of Advisory Committee for Presentation to the Board on Potential Proposed New Rules regarding Licensing Requirements, Chapter 215, Motor Vehicle Distribution, §§215.104, 215.140, and 215.145, and New §215.107** - TxDMV Office of General Counsel (ACTION ITEM)
11. **Potential Proposed Amendments to Advertising Rules, Chapter 215, Motor Vehicle Distribution, §215.244 and §215.270** - Corrie Thompson (BRIEFING AND DISCUSSION ONLY)

ONLY)

12. **Recommendations of Advisory Committee for Presentation to the Board on Potential Proposed Amendments to Advertising Rules, Chapter 215, Motor Vehicle Distribution, §215.244 and §215.270** - TxDMV Office of General Counsel (ACTION ITEM)
13. **Potential Proposed New Rules regarding Motor Vehicle Records Disclosure Act Implementation, §§215.121, 215.141, and 215.175** - Corrie Thompson (BRIEFING AND DISCUSSION ONLY)
14. **Recommendations of Advisory Committee for Presentation to the Board on Potential Proposed New Rules regarding Motor Vehicle Records Disclosure Act Implementation, §§215.121, 215.141, and 215.175** - TxDMV Office of General Counsel (ACTION ITEM)
15. **Public Comment**
16. **Adjournment**

The Advisory Committee will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Advisory Committee. No action will be taken on matters that are not otherwise part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Advisory Committee members may respond in accordance with Government Code Section 551.042 and consider referring the matter to the board.

If you want to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Advisory Committee or send an email to GCO_General@txdmv.gov to register by providing the required information prior to the agenda item being taken up by the Advisory Committee:

1. a completed [Public Comment Registration Form](#); or
2. the following information:
 - a. the agenda item you wish to comment on;
 - b. your name;
 - c. your address (optional), including your city, state, and zip code; and
 - d. who you are representing.

Public comment will only be accepted in person. You must wait for the presiding officer to call on you before you verbally make your comment. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another

speaker.

Agenda items may be presented by the named presenters or other Advisory Committee members.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact Carrie Fortner by telephone at (512) 465-3044.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: Laura Moriaty, General Counsel, (512) 465-5665.

Date: 11/18/2025

To: Motor Vehicle Industry Regulation Advisory Committee (MVIRAC)

From: Laura Moriaty, General Counsel

Subject: Potential Rule Revisions in 43 Tex. Admin. Code, Chapter 215

The Texas Department of Motor Vehicles (TxDMV or department) is requesting advice from the MVIRAC regarding potential updates to Chapter 215, Motor Vehicle Distribution.

Department staff will walk through the potential rule changes and the discussion question below to get your feedback during the discussion and briefing section of the upcoming MVIRAC meeting. MVIRAC will also have an opportunity at the meeting to vote on whether to make formal recommendations to the board.

Discussion Item and Related Question:

1. Draft proposed amendments and new rules regarding license plates, Chapter 215, Motor Vehicle Distribution: amendments to §§215.82, 215.120, 215.152, and 215.154, and new §215.153 and §215.159.

Questions:

- Does §215.153, the draft new rule for buyer's provisional license plates, adequately address responsibilities for this buyer plate type?
 - Does the draft new rule §215.159, relating to license plate storage away from the licensed location, provide dealers with multiple locations an appropriate amount of operating flexibility and provide sufficient safeguards for managing license plates?
2. Draft proposed amendments and new rules regarding licensing requirements, Chapter 215, Motor Vehicle Distribution: amendments to §§215.104, 215.140, and 215.145, and new §215.107.

Question: Does new potential rule §215.107 address all of the key issues affecting a Texas dealer or consumer when a manufacturer or distributor transfers an existing line-make to a new manufacturer or distributor?

3. Draft proposed amendments to advertising rules, Chapter 215, Motor Vehicle Distribution, §215.244 and §215.270.

Question:

Occupations Code, §2301.203(c) requires a license holder to be notified of an alleged advertising violation and be given an opportunity to cure the violation without further proceedings or liability. With that provision in mind, what feedback would you have on the definitions of “cure” and “subsequent violation” in §215.244 and the enforcement provisions in §215.270 in the attached draft proposal?

4. Draft proposed amendments regarding Transportation Code, Chapter 730, Motor Vehicle Records Disclosure Act Implementation, §§215.121, 215. 141, and 215.175.

Question:

Transportation Code, [Chapter 730](#) contains the Motor Records Disclosure Act, and §730.014 authorizes a state agency to adopt rules to implement the Act. The purposes of the Act are to prevent unauthorized disclosures that would allow drivers to be targeted to receive unsolicited junk mail or other unwanted marketing and to prevent more serious threats such as identify theft and stalking. Besides adding a sanction for violation of the Act, should the department consider proposing any other rule amendments or new rules to implement the Motor Vehicle Records Disclosure Act?

SUBCHAPTER B. LICENSES, GENERALLY.

§215.82. Replacement Standard and Dealer's Temporary License Plates and Stickers.

A license holder may receive a replacement dealer's, converter's, drive-a-way in-transit, or manufacturer's standard license plate or a dealer's temporary license plate or assigned sticker, as applicable, at no charge if the license holder:

(1) did not receive the applicable ~~[standard]~~ license plate or sticker;

(2) makes the request within 45 days of the date the applicable ~~[standard]~~ license plate or sticker was mailed to the license holder; and

(3) submits a request electronically in the licensing system designated by the department.

SUBCHAPTER C. FRANCHISED DEALERS, MANUFACTURERS, DISTRIBUTERS, AND CONVERTERS.

§215.104. Changes to Franchised Dealer's License.

(a) In accordance with Occupations Code, §2301.356, a franchised dealer must file an application to amend the franchised dealer's license to request an additional line-make at the dealer's currently licensed showroom. The amendment application must be filed electronically in the licensing system designated by the department.

1 (1) In accordance with §215.110 of this title (relating to Evidence of Franchise), the
2 franchised dealer must attach to the amendment application a legible and accurate electronic image of:

3 (A) the executed franchise agreement;

4 (B) the required excerpt from the executed franchise agreement; or

5 (C) an evidence of franchise form completed by the manufacturer, distributor,
6 or representative.

7 (2) The amendment application for an additional franchise at the showroom is
8 considered an original application and is subject to protest, in accordance with Occupations Code,
9 Chapter 2301, this chapter, and Chapter 224 of this title (relating to (relating to Adjudicative Practice
10 and Procedure)).

11 (b) A franchised dealer may propose to sell or assign to another any interest in the licensed
12 entity, whether a corporation or otherwise, provided the physical location of the licensed entity remains
13 the same.

14 (1) The franchised dealer shall notify the department in writing within 10 days of the
15 sale or assignment of interest by filing an application to amend the franchised dealer's license
16 electronically in the licensing system designated by the department.

17 (2) If the sale or assignment of any portion of the business results in a change of
18 business entity, then the purchasing entity or assignee must apply for and obtain a new license in the
19 name of the new business entity.

20 (3) A publicly-held corporation must file an amendment application if one person or
21 entity acquires 10% or greater interest in the licensed entity.

1 (c) A franchised dealer must file an amendment application electronically in the licensing system
2 designated by the department within 10 days of a license change, including:

3 (1) deletion of a line-make from the dealer's license;

4 (2) a change of assumed name on file with the Office of the Secretary of State or county
5 clerk;

6 (3) a change of mailing address;

7 (4) a change of telephone number; ~~[or]~~

8 (5) a change of email address; or[-]

9 (6) a change in management control, including a management change due to a receiver
10 being appointed or a dealer filing bankruptcy.

11 (d) A franchised dealer must file a business entity amendment application electronically in the
12 licensing system designated by the department within 10 days of an entity change, including:

13 (1) a change in management, dealer principal, or change of other person who oversees a
14 franchised dealer's business activities, including a managing partner, officer, director of a corporation, or
15 similar person; or

16 (2) a change of legal entity name on file with the Office of the Secretary of State.

17 (e) If a franchised dealer changes or converts from one type of business entity to another type of
18 business entity without changing ownership of the dealership, the submission of a franchise agreement
19 in the name of the new entity is not required in conjunction with an amendment application. The
20 franchise agreement on file with the department prior to the change or conversion of the dealer's

1 business entity type applies to the successor entity until the parties agree to replace the franchise
2 agreement. This subsection does not apply to a sole proprietorship or general partnership.

3 (f) If a franchised dealer adopts a plan of conversion under a state or federal law that allows one
4 legal entity to be converted into another legal entity, only an amendment application is necessary to be
5 filed with the department. The franchise agreement on file with the department continues to apply to
6 the converted entity. If a license holder becomes another legal entity by any means other than by
7 conversion, a new application is required, subject to subsection (e) of this section.

8 (g) In addition to obtaining permission from the manufacturer or distributor, a franchised dealer
9 must obtain department approval prior to opening a supplemental location or relocating an existing
10 location by filing an amendment application electronically in the licensing system designated by the
11 department. A franchised dealer must notify the department electronically in the licensing system
12 designated by the department when closing an existing location.

13
14 §215.107. Sale or Transfer of a Line-Make.

15 (a) If a manufacturer or distributor sells, licenses, or otherwise transfers an existing line-make to
16 another person, the acquiring person must:

17 (1) apply for a manufacturer or distributor license and add that line-make to the license;

18 or

19 (2) amend an existing license to add that line-make.

20 (b) As part of the application or application amendment process the person acquiring the line-
21 make must:

1 (1) identify the effective date of the transfer;

2 (2) identify the franchised dealers authorized to sell and service the line-make;

3 (3) identify the person responsible for warranty and franchised dealer obligations

4 incurred prior to the transfer; and

5 (4) certify compliance with Occupations Code, Chapter 2301, Subchapter J, which

6 includes manufacturer or distributor responsibilities to existing dealers of that line-make if a franchise

7 agreement is changed or terminated.

8
9 §215.120. Standard License Plates.

10 (a) A manufacturer, distributor, or converter may apply for a manufacturer or converter
11 standard license plate for use on a new unregistered vehicle of the same vehicle type assembled or
12 modified in accordance with Transportation Code §503.064 or §503.0618, as applicable:

13 (1) when applying for a new or renewal license, or

14 (2) by submitting a standard license plate request application electronically in the
15 system designated by the department.

16 (b) A manufacturer may use a manufacturer's standard license plate to test a prototype motor
17 vehicle on a public street or highway including a commercial motor vehicle prototype designed to carry
18 a load. A manufacturer's standard license plate may not be used on a commercial motor vehicle
19 prototype or new commercial motor vehicle to carry a load for which the manufacturer or other person
20 receives compensation.

1 (c) A manufacturer, distributor, or converter shall attach a standard license plate to the rear of a
2 vehicle in accordance with §217.27 of this title (relating to Vehicle Registration Insignia).

3 (d) A manufacturer, distributor, or converter shall maintain a record of each standard license
4 plate issued to the manufacturer, distributor, or converter by the department either in the license
5 holder's recordkeeping system or in the department-designated system. The license plate record must
6 contain:

7 (1) the license plate number;

8 (2) the year and make of the vehicle to which the license plate is affixed;

9 (3) the VIN of the vehicle, if one has been assigned; and

10 (4) the name of the person in control of the license plate.

11 (e) If a manufacturer, distributor, or converter cannot account for a standard license plate or a
12 standard license plate is damaged, the manufacturer, distributor, or converter shall:

13 (1) document the license plate as "void" in the department-designated system; and

14 (2) within three days of discovering that the license plate is missing or damaged, report
15 the license plate as lost, stolen, or damaged electronically in the system designated by the department;
16 and

17 (3) if found after reported missing, cease use of the license plate.

18 (f) A standard license plate is no longer valid for use after the manufacturer, distributor, or
19 converter reports to the department that the license plate is lost, stolen, or damaged. A manufacturer,
20 distributor, or converter must render a void license plate unusable by permanently marking the front of

1 the plate with the word "VOID" or a large "X" and once marked, shall destroy or recycle the license
2 plate, or return the license plate to the department within 10 days.

3 (g) In evaluating requests for additional standard license plates from any eligible license holder,
4 including a franchised or other GDN dealer, the department shall consider the business justification
5 provided by a license holder including the following:

6 (1) the number of vehicles assembled or modified in the prior twelve months at facilities
7 in or serving the Texas market;

8 (2) the highest number of motor vehicles in inventory in the prior 12 months;

9 (3) the size and type of business;

10 (4) how the license holder typically uses standard licenses plates;

11 (5) the license holder's record of tracking and reporting missing or damaged license
12 plates to the department; and

13 (6) any other factor the Department in its discretion deems necessary to support the
14 number of license plates requested.

15 (h) a license holder shall return a department-issued license plate to the department within 10
16 days of the license holder closing the associated license or the associated license being revoked,
17 canceled, or closed by the department.

18
19 §215.121. Sanctions.

1 (a) The board or department may take the following actions against a license applicant, a license
2 holder, or a person engaged in business for which a license is required:

3 (1) deny an application;

4 (2) revoke a license;

5 (3) suspend a license;

6 (4) assess a civil penalty;

7 (5) issue a cease and desist order; or

8 (6) take other authorized action.

9 (b) The board or department may take action described in subsection (a) of this section if a
10 license applicant, a license holder, or a person engaged in business for which a license is required:

11 (1) fails to maintain records required under this chapter;

12 (2) refuses or fails within 15 days to comply with a request for records made by a
13 representative of the department;

14 (3) sells or offers to sell a motor vehicle to a retail purchaser other than through a
15 licensed or authorized dealer;

16 (4) fails to submit a license amendment application in the electronic licensing system
17 designated by the department to notify the department of a change of the license holder's physical
18 address, mailing address, telephone number, or email address within 10 days of the change;

1 (5) fails to timely submit a license amendment application in the electronic licensing
2 system designated by the department to notify the department of a license holder's business or
3 assumed name change, deletion of a line-make, or management or ownership change;

4 (6) fails to notify the department or pay or reimburse a franchised dealer as required by
5 law;

6 (7) misuses or fails to display a license plate as required by law, or fails to report a lost,
7 stolen, or damaged license plate within the time designated by rule;

8 (8) is a manufacturer or distributor and fails to provide a manufacturer's certificate for a
9 new vehicle;

10 (9) fails to remain regularly and actively engaged in the business of manufacturing,
11 assembling, or modifying a new motor vehicle of the type and line make for which a license has been
12 issued by the department;

13 (10) violates a provision of Occupations Code, Chapter 2301; Transportation Code
14 Chapters 501-503 or 1001-1005; a board order or rule; or a regulation of the department relating to the
15 manufacture, assembly, sale, lease, distribution, financing, or insuring of vehicles, including advertising
16 rules under Subchapter F of this chapter (relating to Advertising);

17 (11) is convicted of an offense that directly relates to the duties or responsibilities of the
18 occupation in accordance with §211.10 ~~§211.3~~ of this title (relating to Criminal Offense Guidelines);

19 (12) is determined by the board or department, in accordance with §215.89 of this title
20 (relating to Fitness), to be unfit to hold a license;

(13) omits information or makes a material misrepresentation in any application or other documentation filed with the department including providing a false or forged identity document or a false or forged photograph, electronic image, or other document;

(14) fails to remit payment as ordered for a civil penalty assessed by the board or department;

(15) violates any state or federal law or regulation relating to the manufacture, distribution, modification, or sale of a motor vehicle;

(16) fails to issue a refund as ordered by the board or department;

(17) fails to participate in statutorily required mediation without good cause; ~~or~~

(18) fails to keep or maintain records required under Occupations Code, Chapter 2305, Subchapter D; or ~~or~~

(19) violates a provision of Transportation Code, Chapter 730, Motor Vehicle Records Disclosure Act, including a violation by an employee or other agent.

SUBCHAPTER D. GENERAL DISTINGUISHING NUMBERS AND IN-TRANSIT LICENSES.

§215.140. Established and Permanent Place of Business Premises Requirements.

(a) A dealer must meet the following requirements at each licensed location and maintain the requirements during the term of the license. If multiple dealers are licensed at a location, each dealer must maintain the following requirements during the entire term of the license.

1 (1) Business hours for retail dealers.

2 (A) A retail dealer's office must be open at least four days per week for at least
3 four consecutive hours per day and may not be open solely by appointment.

4 (B) The retail dealer's business hours for each day of the week must be posted at
5 the main entrance of the retail dealer's office in a manner and location that is accessible to the public.
6 The owner or a bona fide employee of the retail dealer shall be at the retail dealer's licensed location
7 during the posted business hours for the purposes of buying, selling, exchanging, or leasing vehicles. If
8 the owner or a bona fide employee is not available to conduct business during the retail dealer's posted
9 business hours due to special circumstances or emergencies, a separate sign must be posted indicating
10 the date and time the retail dealer will resume operations. Regardless of the retail dealer's business
11 hours, the retail dealer's telephone must be answered from 8:00 a.m. to 5:00 p.m. weekdays by a bona
12 fide employee, owner, answering service, voicemail service, or answering machine. A caller must be able
13 to speak to a natural person or leave a message during these hours.

14 (2) Business hours for wholesale motor vehicle dealers. A dealer that holds only a
15 wholesale motor vehicle dealer's GDN must post its business hours at the main entrance of the
16 wholesale motor vehicle dealer's office in a manner and location that is accessible to the public. A
17 wholesale motor vehicle dealer or bona fide employee shall be at the wholesale motor vehicle dealer's
18 licensed location at least two weekdays per week for at least two consecutive hours per day. A wholesale
19 motor vehicle dealer may not be open solely by appointment. Regardless of the wholesale motor vehicle
20 dealer's business hours, the wholesale motor vehicle dealer's telephone must be answered from 8:00
21 a.m. to 5:00 p.m. weekdays by a bona fide employee, owner, answering service, voicemail service, or
22 answering machine. A caller must be able to speak to a natural person or leave a message during these
23 hours.

1 (3) Business sign requirements for retail dealers.

2 (A) A retail dealer must display a conspicuous, permanent sign with letters at
3 least six inches in height showing the retail dealer's business name or assumed name substantially
4 similar to the name reflected on the retail dealer's GDN under which the retail dealer conducts business.
5 A business sign is considered conspicuous if it is easily visible to the public within 100 feet of the main
6 entrance of the business office. A business sign is considered permanent only if it is made of durable,
7 weather-resistant material.

8 (B) The sign must be permanently mounted at the physical address listed on the
9 application for the retail dealer's GDN. A business sign is considered permanently mounted if bolted to
10 an exterior building wall, ~~or~~ bolted or welded to a dedicated sign pole or sign support permanently
11 installed in the ground, or permanently etched or permanently mounted on a glass window or door.

12 (C) A retail dealer may use a temporary sign or banner if that retail dealer can
13 show proof that a sign that meets the requirements of this paragraph has been ordered and provides a
14 written statement that the sign will be promptly and permanently mounted upon delivery.

15 (D) A retail dealer is responsible for ensuring that the business sign complies
16 with municipal ordinances, and that any lease signage requirements are consistent with the signage
17 requirements in this paragraph.

18 (4) Business sign requirements for wholesale motor vehicle dealers.

19 (A) Exterior Sign

20 (i) A wholesale motor vehicle dealer must display a conspicuous,
21 permanent sign with letters at least six inches in height showing the wholesale motor vehicle dealer's

business name or assumed name substantially similar to the name reflected on the wholesale motor vehicle dealer's GDN under which the wholesale motor vehicle dealer conducts business. Effective September 1, 2023, the sign must also include the statement that "Purchasers must be Licensed Dealers" in letters at least three inches in height. A business sign is considered conspicuous if it is easily visible to the public within 100 feet of the main entrance of the business office. A business sign is considered permanent only if it is made of durable, weather-resistant material.

(ii) The sign must be permanently mounted on the business property at the physical address listed on the application. A business sign is considered permanently mounted if bolted to an exterior building wall, ~~or~~ bolted or welded to a dedicated sign pole or sign support permanently installed in the ground, or permanently etched or permanently mounted on a glass window or door. A wholesale motor vehicle dealer may use a temporary exterior sign or banner if the wholesale motor vehicle dealer can show proof that a sign that meets the requirements of this paragraph has been ordered and provides a written statement that the sign will be promptly and permanently mounted upon delivery.

(B) Interior Sign

(i) If the wholesale motor vehicle dealer's office is located in an office building with one or more other businesses and an outside sign is not permitted by the property owner, a conspicuous permanent business sign permanently mounted on or beside the main door to the wholesale motor vehicle dealer's office with letters at least two inches in height is acceptable. Effective September 1, 2023, the sign must also include the statement that "Purchasers must be Licensed Dealers" in letters at least one inch in height.

1 (ii) An interior business sign is considered conspicuous if it is easily
2 visible to the public within 10 feet of the main entrance of the wholesale motor vehicle dealer's office.
3 An interior sign is considered permanent if made from durable material and has lettering that cannot be
4 changed. An interior sign is considered permanently mounted if bolted or otherwise permanently affixed
5 to the main door or nearby wall. A wholesale motor vehicle dealer may use a temporary interior sign or
6 banner if the wholesale motor vehicle dealer can show proof that a sign that meets the requirements of
7 this paragraph has been ordered and provides a written statement that the sign will be promptly and
8 permanently mounted upon delivery.

9 (C) A wholesale motor vehicle dealer is responsible for ensuring that the
10 business sign complies with municipal ordinances and that any lease signage requirements are
11 consistent with the signage requirements in this paragraph.

12 (5) Office requirements for a retail dealer and a wholesale motor vehicle dealer.

13 (A) A dealer's office must be located in a building with a permanent roof and
14 connecting exterior walls on all sides.

15 (B) A dealer's office must comply with all applicable municipal ordinances,
16 including municipal zoning ordinances. The dealer is responsible for obtaining a certificate of occupancy,
17 certificate of compliance, or other required document issued by a municipal government to show
18 compliance, including a new certificate or document when the building is altered or remodeled, or when
19 the building use changes.

20 (C) A dealer's office may not be located in a residence, apartment, hotel, motel,
21 rooming house, or any room or building not open to the public.

1 (D) A dealer's office may not be located in a restaurant, gas station, or
2 convenience store, unless the office has a separate entrance door that does not require a dealer's
3 customer to pass through the other business.

4 (E) A dealer's office may not be virtual or provided by a subscription for office
5 space or office services. Access to an office space or office services is not considered an established and
6 permanent location.

7 (F) The physical address of the dealer's office must be in Texas and recognized by
8 the U.S. Postal Service, be capable of receiving U.S. mail, and have an assigned emergency services
9 property address. The department will not mail a dealer's or buyer's license plate to an out-of-state
10 address and will only mail or deliver a license plate to a dealer's physical location or other physical
11 location listed in the dealer's license record and approved by the department.

12 (G) A portable-type office building may qualify as an office only if the building
13 meets the requirements of this section and is not a readily moveable trailer or other vehicle.

14 (H) The dealer's office space must:

15 (i) include at least 100 square feet of interior floor space, exclusive of
16 hallways, closets, or restrooms;

17 (ii) have a minimum seven-foot-high ceiling;

18 (iii) accommodate required office equipment; and

19 (iv) allow a dealer and customer to safely access the office and conduct
20 business in private while seated.

1 (6) Required office equipment for a retail dealer and a wholesale motor vehicle dealer.

2 At a minimum, a dealer's office must be equipped with:

3 (A) a desk;

4 (B) two chairs;

5 (C) internet access;

6 (D) a working telephone number listed in the business name or assumed name
7 under which the dealer conducts business; and

8 (E) a locked and secured room or closet or at least one securely locked,
9 substantially constructed safe or steel cabinet bolted or affixed to the floor or wall in such a way that the
10 safe or steel cabinet cannot be readily removed and of sufficient size to store all ~~dealer's and buyer's~~
11 license plates in a dealer's possession~~including unissued and unassigned buyer's license plates~~.

12 (7) Number of retail dealers in one building. Not more than four retail dealers may be
13 located in the same building. Each retail dealer located in the same building must meet the requirements
14 of this section.

15 (8) Number of wholesale motor vehicle dealers in one office building. Not more than
16 eight wholesale motor vehicle dealers may be located in the same office building. Each wholesale motor
17 vehicle dealer located in the same office building must meet the requirements of this section.

18 (9) Office sharing prohibition for retail dealers and wholesale motor vehicle dealers.
19 Unless otherwise authorized by the Transportation Code, a retail dealer and a wholesale motor vehicle
20 dealer licensed after September 1, 1999, may not be located in the same building.

21 (10) Dealer housed with other business.

1 (A) If a person conducts business as a dealer in conjunction with another
2 business owned by the same person and under the same name as the other business, the same
3 telephone number may be used for both businesses. If the name of the dealer differs from the name of
4 the other business, a separate telephone listing and a separate sign for each business are required.

5 (B) A person may conduct business as a dealer in conjunction with another
6 business not owned by that person only if the dealer owns the property on which business is conducted
7 or has a separate lease agreement from the owner of that property that meets the requirements of this
8 section. The same telephone number may not be used by both businesses. The dealer must have
9 separate business signs, telephone listings, and office equipment required under this section.

10 (C) A dealer's office must have permanent interior walls on all sides and be
11 separate from any public area used by another business.

12 (11) Display area and storage lot requirements.

13 (A) A wholesale motor vehicle dealer is not required to have display space at the
14 wholesale motor vehicle dealer's business premises.

15 (B) A retail dealer must have an area designated as display space for the retail
16 dealer's inventory. A retail dealer's designated display area must comply with the following
17 requirements.

18 (i) The display area must be located at the retail dealer's physical
19 business address or contiguous to the retail dealer's physical address. The display area may not be in a
20 storage lot.

1 (ii) The display area must be of sufficient size to display at least five
2 vehicles of the type for which the GDN is issued. The display area must be reserved exclusively for the
3 retail dealer's inventory and may not be used for customer parking, employee parking, general storage,
4 or shared or intermingled with another business or a public parking area, a driveway to the office, or
5 another dealer's display area.

6 (iii) The display area may not be on a public easement, right-of-way, or
7 driveway unless the governing body having jurisdiction of the easement, right-of-way, or driveway
8 expressly consents in writing to use as a display area. If the easement, right-of-way, or driveway is a part
9 of the state highway system, use as a display area may only be authorized by a lease agreement.

10 (iv) If a retail dealer shares a display or parking area with another
11 business, including another dealer, the dealer's vehicle inventory must be separated from the other
12 business's display or parking area by permanent signage identifying the area as reserved display space
13 for that retail dealer's inventory. ~~[a material object or barrier that cannot be readily removed. A barrier~~
14 ~~that cannot be readily removed is one that cannot be easily moved by one person and typically weighs~~
15 ~~more than 50 pounds. A material object or barrier must be in place on all sides except for the space~~
16 ~~necessary to allow for entry and exit of vehicle inventory.]~~

17 (v) If a dealer's business location includes gasoline pumps or a charging
18 station or includes another business that sells gasoline or has a charging station, the dealer's display area
19 may not be part of the parking area for fuel or charging station customers and may not interfere with
20 access to or from the gasoline pumps, fuel tanks, charging station, or fire prevention equipment.

21 (vi) The display area must be adequately illuminated if the retail dealer
22 is open at night so that a vehicle for sale can be properly inspected by a potential buyer.

(vii) The display area may be located inside a building; however, if multiple dealers are displaying vehicles inside a building, each dealer's display area must be separated by permanent signage identifying the area as reserved display space for that retail dealer's inventory. ~~[a material object or barrier that cannot be readily removed. A barrier that cannot be readily removed is one that cannot be easily moved by one person and typically weighs more than 50 pounds. A material object or barrier must be in place on all sides except for the space necessary to allow for entry and exit of vehicle inventory.]~~

(C) A GDN holder may maintain a storage lot only if the storage lot is not accessible to the public and no sales activity occurs at the storage lot. A sign stating the license holder's name, contact information, and the fact the property is a storage lot is permissible. A storage lot must be fenced or in an access-controlled location to be considered not accessible to the public. A GDN holder or applicant must disclose the address of a storage lot or the location of a vehicle in inventory upon request by the department.

(12) Dealers authorized to sell salvage motor vehicles. If an independent motor vehicle dealer offers a salvage motor vehicle for sale on the dealer's premises, the vehicle must be clearly and conspicuously marked with a sign informing a potential buyer that the vehicle is a salvage motor vehicle.

(13) Lease requirements. If the premises from which a dealer conducts business, including any display area, is not owned by the dealer, the dealer must maintain a lease that is continuous during the period of time for which the dealer's license will be issued. The lease agreement must be on a properly executed form containing at a minimum:

(A) the name of the property owner as the lessor of the premises and the name of the dealer as the tenant or lessee of the premises;

1 (B) the period of time for which the lease is valid;

2 (C) the street address or legal description of the property, provided that if only a
3 legal description of the property is included, a dealer must attach a statement verifying that the property
4 description in the lease agreement is the physical street address identified on the application as the
5 physical address for the established and permanent place of business;

6 (D) the signature of the property owner as the lessor and the signature of the
7 dealer as the tenant or lessee; and

8 (E) if the lease agreement is a sublease in which the property owner is not the
9 lessor, the dealer must also obtain a signed and notarized statement from the property owner including
10 the following information:

11 (i) property owner's full name, email address, mailing address, and
12 phone number; and

13 (ii) property owner's statement confirming that the dealer is authorized
14 to sublease the location and may operate a vehicle sales business from the location.

15 (14) Dealer must display GDN and bond notice. A dealer must display the dealer's GDN
16 issued by the department at all times in a manner that makes the GDN easily readable by the public and
17 in a conspicuous place at each place of business for which the dealer's GDN is issued. A dealer required
18 to obtain a surety bond must post a bond notice adjacent to and in the same manner as the dealer's
19 GDN is displayed. The notice must include the bond company name, bond identification number, and
20 procedure by which a claimant can recover under the bond. The notice must also include the
21 department's website address and notify a consumer that a dealer's surety bond information may be

1 obtained by submitting a request to the department. If the dealer's GDN applies to more than one
2 location, a copy of the GDN and bond notice must be displayed in each supplemental location.

3 (b) Wholesale motor vehicle auction premises requirements. A wholesale motor vehicle auction
4 must comply with the following premises requirements:

5 (1) a wholesale motor vehicle auction GDN holder must hold a motor vehicle auction on
6 a regular periodic basis at the licensed location, and an owner or bona fide employee must be available
7 at the business location during each auction and during posted business hours. If the owner or a bona
8 fide employee is not available to conduct business during the posted business hours due to special
9 circumstances or emergencies, a separate sign must be posted indicating the date and time operations
10 will resume.

11 (2) the business telephone must be answered from 8:00 a.m. to 5:00 p.m. weekdays by a
12 bona fide employee, owner, answering service, voicemail service, or answering machine. A caller must
13 be able to speak to a natural person or leave a message during these hours.

14 (3) a wholesale motor vehicle auction GDN holder must display a business sign that
15 meets the following requirements:

16 (A) The sign must be a conspicuous, permanent sign with letters at least six
17 inches in height showing the business name or assumed name substantially similar to the name reflected
18 on the GDN under which the GDN holder conducts business. A business sign is considered conspicuous if
19 it is easily visible to the public within 100 feet of the main entrance of the business office. A business
20 sign is considered permanent only if it is made of durable, weather-resistant material.

21 (B) The sign must be permanently mounted at the physical address listed on the
22 application for the wholesale motor vehicle auction GDN. A business sign is considered permanently

1 mounted if bolted to an exterior building wall, ~~or~~ bolted or welded to a dedicated sign pole or sign
2 support permanently installed in the ground, or permanently etched or permanently mounted on a glass
3 window or door.

4 (C) An applicant may use a temporary sign or banner if the applicant can show
5 proof that a sign that meets the requirements of this paragraph has been ordered and provides a written
6 statement that the sign will be promptly and permanently mounted upon delivery.

7 (D) An applicant or holder is responsible for ensuring that the business sign
8 complies with municipal ordinances, and that any lease signage requirements are consistent with the
9 signage requirements in this paragraph.

10 (4) The business office of a wholesale motor vehicle auction GDN applicant and holder
11 must meet the following requirements:

12 (A) The office must be located in a building with a permanent roof and
13 connecting exterior walls on all sides.

14 (B) The office must comply with all applicable municipal ordinances, including
15 municipal zoning ordinances. The wholesale motor vehicle auction is responsible for obtaining a
16 certificate of occupancy, certificate of compliance, or other required document issued by a municipal
17 government to show compliance, including a new certificate or document when the building is altered or
18 remodeled, or when the building use changes.

19 (C) The office may not be located in a residence, apartment, hotel, motel,
20 rooming house, or any room or building not open to the public.

1 (D) The office may not be located in a restaurant, gas station, or convenience
2 store, unless the office has a separate entrance door that does not require a customer to pass through
3 the other business.

4 (E) The office may not be virtual or provided by a subscription for office space or
5 office services. Access to office space or office services is not considered an established and permanent
6 location.

7 (F) The physical address of the office must be in Texas and recognized by the U.S.
8 Postal Service, capable of receiving U.S. mail, and have an assigned emergency services property
9 address.

10 (G) A portable-type office building may qualify as an office only if the building
11 meets the requirements of this section and is not a readily moveable trailer or other vehicle.

12 (5) A wholesale motor vehicle auction GDN applicant and holder must have the following
13 office equipment:

14 (A) a desk;

15 (B) a chair;

16 (C) internet access; and

17 (D) a working telephone number listed in the business name or assumed name
18 under which business is conducted.

19 (6) A wholesale motor vehicle auction must meet the following display area and storage
20 lot requirements:

1 (A) The area designated as display space for inventory must be located at the
2 physical business address or contiguous to the physical address. The display area may not be in a storage
3 lot.

4 (B) The display area must be of sufficient size to display at least five vehicles.
5 Those spaces must be reserved exclusively for inventory and may not be used for customer parking,
6 employee parking, general storage, or shared or intermingled with another business or a public parking
7 area, or a driveway to the office.

8 (C) The display area may not be on a public easement, right-of-way, or driveway
9 unless the governing body having jurisdiction of the easement, right-of-way, or driveway expressly
10 consents in writing to use as a display area. If the easement, right-of-way, or driveway is a part of the
11 state highway system, use as a display area may only be authorized by a lease agreement.

12 (D) If the business location includes gasoline pumps or a charging station or
13 includes another business that sells gasoline or has a charging station, the display area may not be part
14 of the parking area for fuel or charging station customers and may not interfere with access to or from
15 the gasoline pumps, fuel tanks, charging station, or fire prevention equipment.

16 (E) The display area must be adequately illuminated if open at night so that a
17 vehicle for sale can be properly inspected by a potential buyer.

18 (F) The display area may be located inside a building.

19 (G) A wholesale motor vehicle auction may maintain a storage lot only if the
20 storage lot is not accessible to the public and no sales activity occurs at the storage lot. A sign stating the
21 business name, contact information, and the fact the property is a storage lot is permissible. A storage
22 lot must be fenced or in an access-controlled location to be considered not accessible to the public. A

1 GDN holder or applicant must disclose the address of a storage lot or the location of a vehicle in
2 inventory upon request by the department.

3 (7) A wholesale motor vehicle auction must meet the following lease requirements if the
4 business premises, including any display area, is not owned by the wholesale motor vehicle auction:

5 (A) the applicant or holder must maintain a lease that is continuous during the
6 period of time for which the GDN will be issued;

7 (B) The lease agreement must be on a properly executed form containing at a
8 minimum:

9 (i) the name of the property owner as the lessor of the premises and the
10 name of the GDN applicant or holder as the tenant or lessee of the premises;

11 (ii) the period of time for which the lease is valid;

12 (iii) the street address or legal description of the property, provided that
13 if only a legal description of the property is included, a wholesale motor vehicle auction must attach a
14 statement verifying that the property description in the lease agreement is the physical street address
15 identified on the application as the physical address for the established and permanent place of
16 business;

17 (iv) the signature of the property owner as the lessor and the signature
18 of the applicant or holder as the tenant or lessee; and

19 (C) if the lease agreement is a sublease in which the property owner is not the
20 lessor, the wholesale motor vehicle auction must also obtain a signed and notarized statement from the
21 property owner including the following information:

1 (i) property owner's full name, email address, mailing address, and
2 phone number; and

3 (ii) property owner's statement confirming that the wholesale motor
4 vehicle auction is authorized to sublease the location and may operate a wholesale motor vehicle
5 auction business from the location.

6
7 §215.141. Sanctions.

8 (a) The board or department may take the following actions against a license applicant, a license
9 holder, or a person engaged in business for which a license is required:

10 (1) deny an application;

11 (2) revoke a license;

12 (3) suspend a license;

13 (4) assess a civil penalty;

14 (5) issue a cease and desist order; or

15 (6) take other authorized action.

16 (b) The board or department may take action described in subsection (a) of this section if a
17 license applicant, a license holder, or a person engaged in business for which a license is required:

18 (1) fails to maintain a good and sufficient bond or post the required bond notice if
19 required under Transportation Code §503.033 (relating to Security Requirement);

1 (2) fails to meet or maintain the requirements of §215.140 of this title (relating to
2 Established and Permanent Place of Business Premises Requirements);

3 (3) fails to maintain records required under this chapter;

4 (4) refuses or fails to comply with a request by the department for electronic records or
5 to examine and copy electronic or physical records during the license holder's business hours at the
6 licensed business location:

7 (A) sales records required to be maintained by §215.144 of this title (relating to
8 Vehicle Records);

9 (B) ownership papers for a vehicle owned by that dealer or under that dealer's
10 control;

11 (C) evidence of ownership or a current lease agreement for the property on
12 which the business is located; or

13 (D) the Certificate of Occupancy, Certificate of Compliance, business license or
14 permit, or other official documentation confirming compliance with county and municipal laws or
15 ordinances for a vehicle business at the licensed physical location.

16 (5) refuses or fails to timely comply with a request for records made by a representative
17 of the department;

18 (6) holds a wholesale motor vehicle dealer's license and sells or offers to sell a motor
19 vehicle to a person other than a licensed or authorized dealer;

20 (7) sells or offers to sell a type of vehicle that the person is not licensed to sell;

1 (8) fails to submit a license amendment application in the electronic licensing system
2 designated by the department to notify the department of a change of the license holder's physical
3 address, mailing address, telephone number, or email address within 10 days of the change;

4 (9) fails to submit a license amendment application in the electronic licensing system
5 designated by the department to notify the department of a license holder's name change, or
6 management or ownership change within 10 days of the change;

7 (10) issues more than one buyer's license plate or buyer's temporary license plate for a
8 vehicle sold on or after July 1, 2025, or more than one temporary tag for a vehicle sold before July 1,
9 2025, for the purpose of extending the purchaser's operating privileges for more than 60 days;

10 (11) fails to remove a license plate or registration insignia from a vehicle that is displayed
11 for sale;

12 (12) misuses a dealer's license plate, or a temporary tag before July 1, 2025;

13 (13) fails to display a dealer's license plate, or temporary tag before July 1, 2025, as
14 required by law;

15 (14) holds open a title or fails to take assignment of a certificate of title, manufacturer's
16 certificate, or other basic evidence of ownership for a vehicle acquired by the dealer, or fails to assign
17 the certificate of title, manufacturer's certificate, or other basic evidence of ownership for a vehicle sold;

18 (15) fails to remain regularly and actively engaged in the business of buying, selling, or
19 exchanging vehicles of the type for which the GDN is issued by the department;

20 (16) violates a provision of Occupations Code, Chapter 2301; Transportation Code
21 Chapters 503 and 1001-1005; a board order or rule; or a regulation of the department relating to the

1 sale, lease, distribution, financing, or insuring of vehicles, including advertising rules under Subchapter F
2 of this chapter (relating to Advertising);

3 (17) is convicted of an offense that directly relates to the duties or responsibilities of the
4 occupation in accordance with §211.10 [~~§211.3~~] of this title (relating to Criminal Offense Guidelines);

5 (18) is determined by the board or department, in accordance with §215.89 of this title
6 (relating to Fitness), to be unfit to hold a license;

7 (19) has not assigned at least five vehicles in the prior 12 months, provided the dealer
8 has been licensed more than 12 months;

9 (20) files or provides a false or forged:

10 (A) title document, including an affidavit making application for a certified copy
11 of a title; or

12 (B) tax document, including a sales tax statement or affidavit;

13 (21) uses or allows use of that dealer's license or location for the purpose of avoiding a
14 provision of Occupations Code, Chapter 2301; Transportation Code, Chapters 503 and 1001 - 1005; or
15 other laws;

16 (22) omits information or makes a material misrepresentation in any application or other
17 documentation filed with the department including providing a false or forged identity document or a
18 false or forged photograph, electronic image, or other document;

19 (23) fails to remit payment as ordered for a civil penalty assessed by the board or
20 department;

1 (24) sells a new motor vehicle without a franchised dealer's license issued by the
2 department;

3 (25) fails to comply with a dealer responsibility under §215.150 of this title (relating to
4 Dealer Authorization to Issue License Plates);

5 (26) on or after July 1, 2025, fails to securely store a license plate or fails to destroy a
6 previously issued but currently unassigned license plate within the time prescribed by statute;

7 (27) fails to maintain a record of dealer license plates as required under §215.138 of this
8 title (relating to Use of Dealer's License Plates);

9 (28) on or after July 1, 2025, fails to file or enter a vehicle transfer notice;

10 (29) fails to enter a lost, stolen, or damaged license plate in the electronic system
11 designated by the department within the time limit prescribed by rule;

12 (30) violates any state or federal law or regulation relating to the sale of a motor vehicle;

13 (31) knowingly fails to disclose that a motor vehicle has been repaired, rebuilt, or
14 reconstructed and issued a title under Transportation Code, §501.100 (relating to Application for Regular
15 Certificate of Title for Salvage Vehicle);

16 (32) fails to issue a refund as ordered by the board or department;

17 (33) fails to acquire or maintain a required certificate of occupancy, certificate of
18 compliance, business license or permit, or other official documentation for the licensed location
19 confirming compliance with county or municipal laws or ordinances or other local requirements for a
20 vehicle business;

1 (34) on or after July 1, 2025, fails to remove a license plate from a vehicle as required by
2 statute or rule; ~~[or]~~

3 (35) fails to keep or maintain records required under Occupations Code, Chapter 2305,
4 Subchapter D or to allow an inspection of these records by the department; or [-]

5 (36) violates a provision of Transportation Code, Chapter 730, Motor Vehicle Records
6 Disclosure Act, including a violation by an employee or other agent.

7
8 §215.145. Change of Dealer's Status.

9 (a) A dealer's name change requires a new bond or a rider to the existing bond reflecting the
10 new name, unless the dealer is not otherwise required to purchase a bond.

11 (b) A dealer shall notify the department in writing within 10 days of a change of ownership by
12 submitting a license amendment application in the department-designated electronic licensing system. A
13 licensed dealer that proposes to sell or assign to another any interest in the licensed entity, whether a
14 corporation or otherwise, and provided the physical location of the licensed entity remains the same,
15 shall notify the department in writing within 10 days of the change by filing an application to amend the
16 license in the department-designated electronic licensing system. If the sale or assignment of any
17 portion of the business results in a change of entity, then the new entity must apply for and obtain a new
18 license. A publicly held corporation only needs to inform the department of a change in ownership if one
19 person or entity acquires a 10% or greater interest in the licensed entity.

20 (c) Upon the death of a dealer operating as a sole proprietor, either the surviving spouse of the
21 deceased dealer or other individual deemed qualified by the department shall submit to the department

1 a bond rider adding the name of the surviving spouse or other qualifying person to the bond for the
2 remainder of the bond and license term. The surviving spouse or other qualifying person may continue
3 operating under the current dealer license until the end of the license term.

4 (d) For purposes of subsection (c) of this section, the sole proprietor's surviving spouse may
5 change the ownership of the dealership at the time the license is renewed without applying for a new
6 GDN. At the time the renewal application is filed, the sole proprietor's surviving spouse must submit to
7 the department:

8 (1) an application to amend the business entity;

9 (2) a copy of the sole proprietor's certificate of death, naming the surviving spouse;

10 (3) the required ownership information; and

11 (4) if applicable, a bond in the name of the surviving spouse.

12 (e) For purposes of subsection (c) of this section, a qualifying person who is not the surviving
13 spouse may operate the sole proprietorship business during the term of the license. The qualifying
14 person must file with the department:

15 (1) an application to amend the business entity, identifying the qualifying person as the
16 manager;

17 (2) an ownership information form, indicating that the qualifying person has no
18 ownership interest in the business; and

19 (3) a bond rider adding the qualified person's name to the existing bond.

1 (f) For purposes of subsection (c) of this section, a qualifying person who is not the surviving
2 spouse must file with the department an application for a new GDN on or before the expiration of the
3 license term in the department-designated electronic licensing system.

4 (g) A determination made under this section does not impact a decision made by the board
5 under Occupations Code, §2301.462 (relating to Succession Following Death of Franchised Dealer).

6 (h) A dealer shall notify the department in writing within 10 days of a change in management
7 control, including a management control change resulting from a receiver being appointed or a dealer
8 filing bankruptcy, by submitting a license amendment application in the electronic licensing system
9 designated by the department.

10
11 §215.152. Obtaining Dealer-Issued Buyer's License Plates.

12 (a) A dealer or governmental agency is required to have internet access to connect to
13 webDEALER and the license plate system maintained by the department and is responsible for verifying
14 receipt of license plates in the license plate system.

15 (b) Except as provided by §215.157 of this title (relating to Issuing Buyer's License Plates and
16 License Plate Receipts When Internet Not Available) before a license plate may be issued or secured on a
17 vehicle, a dealer or governmental agency must enter in the license plate system true and accurate
18 information about:

19 (1) the vehicle;

20 (2) the buyer; and

21 (3) the license plate number issued or assigned to the vehicle.

1 (c) The department will inform each dealer annually of the maximum number of new buyer's
2 license plates the dealer is authorized to obtain during the calendar year under Transportation Code,
3 §503.063, including:

4 (1) an allotment of buyer's license plates to be issued to a buyer of a vehicle that is to be
5 titled and registered in Texas, and

6 (2) a separate allotment of buyer's temporary license plates to be issued to a non-
7 resident buyer for a vehicle that will be registered and titled in another state.

8 (d) The department will calculate a dealer's maximum annual allotment of new buyer's license
9 plates and buyer's temporary license plates based on the following formula:

10 (1) Vehicle title transfers, sales, or license plate issuance data determined from the
11 department's systems from the previous fiscal year;

12 (2) the total value of paragraph (1) of this subsection will be increased by a multiplier
13 based on the dealer's time in operation giving a 10 percent increase for each year the dealer has been in
14 operation up to 10 years; and

15 (3) the total value of paragraph (2) of this subsection will be increased by a multiplier
16 that is the greater of:

17 (A) the dealer's actual growth rate percentage identified from the preceding two
18 fiscal years, calculated by the growth of the number of in-state or out-of-state sales transactions
19 processed through the department-designated registration and title system or license plate system,
20 except that it may not exceed 200 percent; or

1 (B) the statewide actual growth rate percentage identified from the preceding
2 two fiscal years, calculated by the growth of the number of relevant transactions processed through the
3 department-designated registration and title system or license plate system, not less than zero, to
4 determine the dealer's annual allotment; and

5 (4) the department may increase or decrease the annual allotment for dealers in the
6 state, in a geographic or population area, or in a county, based on:

7 (A) changes in the market;

8 (B) temporary conditions that may affect sales; and

9 (C) any other information the department considers relevant.

10 (e) A dealer licensed after the commencement of a calendar year shall be allocated the number
11 of buyer's license plates and buyer's temporary plates allocated in this subsection prorated on all or part
12 of the remaining months until the commencement of the calendar year after the dealer's initial license
13 expires. The initial allocations shall be as determined by the department in granting the license, but not
14 more than:

15 (1) 200 buyer's license plates and 100 buyer's temporary license plates for a franchised
16 dealer unless the dealer provides credible information indicating that a greater number of buyer's
17 license plates is warranted based on anticipated sales, and growth, to include new and used vehicle
18 sales, including information from the manufacturer or distributor, or as otherwise provided in this
19 section.

1 (2) 100 buyer's license plates and 48 buyer's temporary license plates for a
2 nonfranchised dealer unless the dealer provides credible information indicating that a greater number of
3 license plates is warranted based on anticipated sales as otherwise provided in this section.

4 (f) An existing dealer that is:

5 (1) moving its operations from one location to a different location will continue with its
6 allotment of buyer's license plates and buyer's temporary license plates and not be allocated license
7 plates under subsection (e) of this section;

8 (2) opening an additional location will receive a maximum allotment of buyer's license
9 plates and buyer's temporary license plates based on the greater of the allotment provided to existing
10 locations, including franchised dealers opening additional locations for different line makes, or the
11 amount under subsection (e) of this section;

12 (3) purchased as a buy-sell ownership agreement will receive the maximum allotment of
13 buyer's license plates and buyer's temporary license plates provided to the location being purchased and
14 not be allocated license plates under subsection (e) of this section; and

15 (4) inherited by will or laws of descent will receive the maximum allotment of buyer's
16 license plates and buyer's temporary license plates provided to the location being inherited and not be
17 allocated license plates under subsection (e) of this section.

18 (g) A new dealer may also provide credible information supporting a request for additional or
19 fewer buyer's license plates and buyer's temporary license plates to the amount allocated under
20 subsection (e) of this section based on:

21 (1) franchised dealer, manufacturer, or distributor sales expectations;

1 (2) a change in GDN required by death or retirement, except as provided in subsection
2 (f) of this section;

3 (3) prior year's sales by a dealer moving into the state; or

4 (4) other similar change of location or ownership that indicates some continuity in
5 existing operations.

6 (h) The annual allotment of buyer's issue license plates and buyer's temporary license plates will
7 each be divided by four and allocated to a dealer on a quarterly basis, unless a dealer sells only antique
8 or special interest vehicles as defined by Transportation Code, §683.077(b), in which case each allocation
9 may be divided by two and allocated on a half-yearly basis. A dealer's remaining unissued license plates
10 at the end of the allocation period will count towards the dealer's next allotment.

11 (i) A dealer is not eligible to receive a quarterly allocation in the following circumstances:

12 (1) the dealer's license has been closed, canceled, or revoked in a final order;

13 (2) the department has issued a notice of department decision under §224.56 of this
14 title (relating to Notice of Department Decision), alleging that the dealer is in violation of §215.140 of
15 this title (relating to Established and Permanent Place of Business Premises Requirements) and appears
16 to have abandoned the licensed location;

17 (3) the department has denied the dealer access to the temporary tag system or the
18 license plate system in accordance with §224.58 of this title (relating to Denial of Dealer Access to
19 License Plate System) and Transportation Code, §503.0633(f);

20 (4) a dealer fails a compliance review performed by the department under
21 Transportation Code, §503.063(d);

1 (5) the dealer license expires during that quarter and the dealer has not submitted a
2 license renewal application to the department;

3 (6) a dealer does not have an owner or bona fide employee at the licensed location
4 during posted business hours to accept a license plate delivery and the delivery service has notified the
5 department that a license plate shipment is undeliverable; [øø]

6 (7) a dealer fails to keep license plates or the license plate system secure; or [-]

7 (8) an applicant or license holder has filed a change of address with the department for
8 the licensed location and the new location has not been approved by the department.

9 (j) A dealer with an active license and access to the license plate database who is ineligible to
10 receive a quarterly allocation under subsection (i) of this section may request the department conduct a
11 compliance review under Transportation Code, §503.063(d) to determine if the dealer is eligible to
12 receive a future allocation by submitting a request to DealerCompliance@txdmv.gov. The department
13 will conduct the compliance review within 14 days of the dealer's request.

14 (k) A dealer who has an active license but is not eligible to receive a quarterly allocation under
15 subsection (i) of this section may obtain buyer's license plates from a county tax assessor-collector or
16 department regional service center, as directed by the department.

17 (l) A dealer may request more buyer's license plates or buyer's temporary license plates:

18 (1) after using 50 percent of the quarterly allocation of general issue plates or buyer
19 temporary plates, a dealer may request an advance on the next quarter's allotment; or

1 (2) after using 50 percent of the allotted annual maximum number of general issue
2 plates or buyer temporary plates a dealer may request an increase in the annual allotted number of
3 license plates.

4 (m) A dealer may request fewer buyer's license plates or buyer's temporary license plates:

5 (1) after using less than 50 percent of the quarterly allocation of general issue license
6 plates or buyer temporary license plates in a quarter; or

7 (2) after using less than 50 percent of the allotted annual maximum number of general
8 issue license plates or buyer temporary license plates in a year.

9 (n) To receive more buyer's license plates or buyer's temporary license plates or to request a
10 decrease in a quarterly or annual allocation, a dealer must submit a request in the department's
11 designated license plate system.

12 (o) A dealer requesting an increase or decrease in the maximum annual allotment of buyer's
13 license plates or buyer's temporary license plates must provide information demonstrating the need for
14 additional license plates results from business operations, including anticipated needs, as required by
15 Transportation Code, §503.0633(c). Information may include documentation of sales and tax reports
16 filed as required by law, information of anticipated need, or other information of the factors listed in
17 Transportation Code, §503.0633(b).

18 (1) The department shall consider the information presented and may consider
19 information not presented that may weigh for or against granting the request that the department in its
20 sole discretion determines to be relevant in making its determination. Other relevant information may
21 include information of the factors listed in Transportation Code, §503.0633(b), the timing of the request,
22 and the requestor's license plate activity.

1 (2) The department may allocate a lesser or greater number of license plates than the
2 amount requested. Allocation of a lesser or greater number of license plates is not a denial of the
3 request. Allocation of license plates under this paragraph does not limit the dealer's ability to submit
4 additional requests.

5 (3) If a request is denied, the denial will be sent to the dealer by email to the requestor's
6 email address.

7 (A) A dealer may appeal the denial to the designated director in the Vehicle
8 Titles and Registration Division.

9 (B) The appeal must be requested through the designated license plate system
10 within 15 days of the date the department emailed the denial to the dealer.

11 (C) The appeal may discuss information provided in the request but may not
12 include additional information.

13 (D) The designated director in the Vehicle Titles and Registration Division will
14 review the appeal and any additional statements concerning the information submitted in the original
15 request and render an opinion within 15 days of receiving the appeal. The designated director in the
16 Vehicle Titles and Registration Division may decide to deny the appeal or award an amount of license
17 plates that is lesser, equal to, or greater than the request.

18 (E) The requesting dealer will be notified as follows:

19 (i) If the designated director in the Vehicle Titles and Registration
20 Division decides to deny the appeal, the department will contact the requesting dealer by email

1 regarding the decision and options to submit a new request with additional relevant credible supporting
2 documentation or to pursue a claim in district court; or

3 (ii) If the designated director in the Vehicle Titles and Registration
4 Division awards an amount of license plates that is lesser, equal to, or greater than the request, the
5 dealer's allocation will be adjusted and the dealer will be contacted by email regarding the decision,
6 informed that the request has not been denied, and informed about options to submit a new request.

7 (4) The designated director in the Vehicle Titles and Registration Division's decision on
8 appeal is final.

9 (5) Once a denial is final, a dealer may only submit a subsequent request during that
10 calendar year if the dealer is able to provide additional information not considered in a prior request.

11 (p) A change in the allotment under subsection (i) of this section does not create a dealer base
12 for subsequent year calculations.

13 (q) The department may at any time initiate an enforcement action against a dealer if license
14 plate system activity suggests that misuse or fraud has occurred as described in Transportation Code
15 §503.0633(f) or §503.0671.

16
17 §215.153. Dealer's Use of Buyer's Provisional License Plates.

18 (a) A dealer may order buyer's provisional license plates for the class of vehicle for which the
19 dealer holds a GDN by submitting a request in the license plate system designated by the department.

20 (b) When a general issue license plate or set of license plates for a vehicle type is not in a
21 dealer's license plate inventory and the purchaser does not have an existing license plate eligible to be

1 reassigned, a dealer must assign a buyer's provisional license plate to the vehicle at the time of a retail
2 sale by affixing the provisional license plate to the vehicle and entering the license plate information into
3 the license plate system designated by the department consistent with the requirements of §215.151 of
4 this title (relating to License Plate General Use Requirements) and §215.155 of this title (relating to
5 Buyer's License Plates).

6 (c) The selling dealer is responsible for promptly:

7 (1) submitting the title and registration application to the county tax assessor-collector,
8 who will issue and assign a buyer's license plate to the vehicle and provide the assigned buyer's license
9 plate to the dealer or the retail buyer.

10 (2) removing the buyer's provisional license plate and affixing the assigned license plate
11 to the vehicle if the assigned license plate is provided to the dealer either by the county tax assessor-
12 collector or retail buyer.

13 (d) A buyer's provisional license plate is for temporary use only and expires seven days after a
14 general issue or other eligible license plate is assigned to the vehicle.

15 (e) A dealer must mark and destroy an expired buyer's provisional license plate as provided in
16 §215.158 of this title (relating to General Requirements for Buyer's License Plates).

17
18 §215.154. Dealer's Temporary License Plate Allocation.

19 (a) The number of dealer's temporary license plates a dealer may order for business use is based
20 on the type of license for which the dealer applied and the number of vehicles the dealer sold during the
21 previous year.

(b) Unless otherwise qualified under this section, the maximum number of dealer's temporary license plates the department will issue to a new license applicant during the applicant's first license term is indicated in the following table.

Attached Graphic ([see attached chart](#))

(c) A person holding a dealer license on July 1, 2025, is eligible to receive the following maximum number of dealer's temporary plates:

(1) the number designated for that license type in subsection (b) of this section; and

(2) the number designated in subsection (e) of this section based on vehicle sales in the last 12-month period.

(d) A dealer that applies for a license is not subject to the initial allotment limits described in this section and may rely on that dealer's existing allocation of dealer's temporary license plates if that dealer is:

(1) a franchised dealership subject to a buy-sell agreement, regardless of a change in the entity of ownership;

(2) any type of dealer that is relocating and has been licensed by the department for a period of one year or longer; or

(3) any type of dealer that is changing its business entity type and has been licensed by the department for a period of one year or longer.

(e) A dealer may obtain more than the maximum number of dealer's temporary license plates provided by this section by submitting to the department proof of sales for the previous 12-month period that justifies additional license plates.

1 (1) The number of additional dealer's temporary license plates the department will issue
2 to a dealer that demonstrates need through proof of sales is indicated in the following table.

3 Attached Graphic

4 (2) For purposes of this section, proof of sales for the previous 12-month period may
5 consist of a copy of the most recent vehicle inventory tax declaration or monthly statements filed with
6 the taxing authority in the county of the dealer's licensed location. Each copy must be stamped as
7 received by the taxing authority.

8 (f) A wholesale motor vehicle dealer may obtain more than the maximum number of dealer's
9 temporary license plates provided by this section by submitting to the department proof of the number
10 of vehicles the dealer has purchased in the previous 12-month period that justifies additional license
11 plates.

12 (1) Evidence of the wholesale motor vehicle dealer's vehicle purchases for the previous
13 12-month period must include the date of purchase, VIN of the vehicle purchased, and the selling
14 dealer's name, and any other information the department in its discretion deems necessary to
15 determine the need for additional dealer's temporary license plates for the wholesale motor vehicle
16 dealer.

17 (2) Upon review and approval of a wholesale motor vehicle dealer's proof of vehicle
18 purchases documentation, the department shall issue up to 5 additional dealer's temporary license
19 plates to the dealer.

20 (g) The Director of the Motor Vehicle Division may waive the dealer's temporary license plate
21 issuance restrictions if the waiver is essential for the continuation of the business. The director will

determine the number of dealer's temporary license plates the department will issue based on the dealer's past sales, dealer's inventory, and any other factor the Director determines pertinent.

(1) A request for a waiver must be submitted to the director in writing and specifically state why the additional dealer's temporary license plates are necessary for the continuation of the dealer's business.

(2) A request for a waiver must be accompanied by proof of the dealer's sales for the previous 12-month period, if applicable.

§215.159. License Plate Storage Away from the Licensed Location.

(a) Application Requirements. A dealer with two or more licensed locations may store and manage license plate inventory at one of the licensed locations or from another location if, in a license application, the dealer:

(1) discloses the physical address of the license plate storage location; and

(2) certifies that the license plate storage location satisfies all requirements in subsection

(b) of this section.

(b) Location Requirements.

(1) The license plate storage location must be in Texas and the address recognized by the U.S. Postal Service, be capable of receiving U.S. mail, and have an assigned emergency services property address.

(2) The license plate storage location must be in a building with a permanent roof and connecting exterior walls on all sides.

(3) The license plate storage location must be:

(A) equipped with:

1 (i) a computer;

2 (ii) internet access;

3 (iii) a working telephone number listed in the business name or assumed
4 name under which the dealer conducts business;

5 (iv) a locked and secured room or closet or at least one securely locked,
6 substantially constructed safe or steel cabinet bolted or affixed to the floor or wall in such a way that the
7 safe or steel cabinet cannot be readily removed and of sufficient size to store all license plates in a dealer's
8 possession; and

9 (B) organized so the license plate inventory for each licensed location is separate
10 and easily identifiable and is properly assigned to a location in the license plate management system.

11 (4) Business hours must be posted at the main entrance in a manner and place accessible
12 to the public, and the location must be open at least four days per week for at least four consecutive hours
13 per day and may not be open solely by appointment. The owner or a bona fide employee shall be at the
14 retail dealer's licensed location during the posted business hours for the purposes of processing license
15 plates.

16 (5) The telephone must be answered from 8:00 a.m. to 5:00 p.m. weekdays by a bona fide
17 employee, owner, answering service, voicemail service, or answering machine. A caller must be able to
18 speak to a natural person or leave a message during these hours.

19 (6) A portable-type office building may be used as a license plate storage location if the
20 building meets the requirements of this subsection and is not a readily moveable trailer or other vehicle.

21 (7) The license plate storage location may not be in a residence, apartment, hotel, motel,
22 rooming house, provided by a subscription for office or storage space, or in a rented storage unit.

(8) The license plate storage location may not be in a restaurant, gas station, or convenience store, unless the location has a separate entrance door that does not require a person to pass through the other business.

(c) Site Visit. The department may visit the location prior to approving a dealer's application to add a license plate storage location and during the term of the license to monitor compliance with department rules as authorized under Occupations Code, §2301.256 and Transportation Code, §503.063(d).

SUBCHAPTER E. LESSORS AND LEASE FACILITATORS.

§215.175. Sanctions.

(a) The board or department may:

(1) deny a vehicle lessor or vehicle lease facilitator application;

(2) revoke or suspend a vehicle lessor or vehicle lease facilitator license; or

(3) assess a civil penalty or take other action on a vehicle lessor or vehicle lease facilitator applicant or license holder, or a person engaged in business for which a vehicle lessor or vehicle lease facilitator license is required.

(b) The board or department may take action described in subsection (a) of this section if a vehicle lessor or vehicle lease facilitator applicant or license holder, or a person engaged in business for which a vehicle lessor or vehicle lease facilitator license is required:

(1) fails to maintain an established and permanent place of business required by §215.177 of this title (relating to Established and Permanent Place of Business);

(2) fails to maintain records required under this subchapter;

1 (3) refuses or fails to comply with a request by a representative of the department to
2 examine during the vehicle lessor's or vehicle lease facilitator's posted business hours at the vehicle
3 lessor's or vehicle lease facilitator's licensed location:

4 (A) a vehicle leasing record required to be maintained by §215.178 of this title
5 (relating to Records Required for Vehicle Lessors and Vehicle Lease Facilitators);

6 (B) ownership papers for a vehicle owned, leased, or under that vehicle lessor's
7 or vehicle lease facilitator's control; or

8 (C) evidence of ownership or a current premises lease agreement for the
9 property upon which the business is located;

10 (4) refuses or fails to timely comply with a request for records made by a representative
11 of the department;

12 (5) fails to notify the department in writing by electronically submitting a license
13 amendment in the licensing system designated by the department within 10 days of a change of the
14 vehicle lessor or vehicle lease facilitator license holder's:

15 (A) mailing address;

16 (B) physical address;

17 (C) telephone number; or

18 (D) email address;

19 (6) fails to notify the department in writing by electronically submitting a license
20 amendment in the licensing system designated by the department within 10 days of a change of the
21 vehicle lessor or vehicle lease facilitator license holder's name, assumed name, management, or
22 ownership;

1 (7) fails to comply with the fee restrictions or other requirements under Occupations
2 Code, §2301.357 or Chapter 2301, Subchapter L. Vehicle Lessors and Vehicle Lease Facilitators;

3 (8) fails to maintain advertisement records or otherwise fails to comply with the
4 advertising requirements of:

5 (A) §215.178; or

6 (B) Subchapter F of this chapter (relating to Advertising);

7 (9) violates any law relating to the sale, lease, distribution, financing, or insuring of
8 motor vehicles;

9 (10) is convicted of an offense that, in accordance with Occupations Code, Chapter 53
10 and with §211.10 [~~§211.3~~] of this title (relating to Criminal Offense Guidelines), directly relates to the
11 duties or responsibilities of the licensed occupation;

12 (11) is determined by the board or department, in accordance with §215.89 of this title
13 (relating to Fitness), to be unfit to hold a vehicle lessor or vehicle lease facilitator license;

14 (12) uses or allows use of a vehicle lessor or vehicle lease facilitator license in violation
15 of any law or for the purpose of avoiding any provision of Occupations Code, Chapter 2301; ~~or~~

16 (13) omits material information or makes a material misrepresentation in any
17 application or other documentation filed with the department including providing a false or forged
18 identity document or a false or forged photograph, electronic image, or other document; or [-]

19 (14) violates a provision of Transportation Code, Chapter 730, Motor Vehicle Records
20 Disclosure Act, including a violation by an employee or other agent.

21 (c) The board or department may take action on a vehicle lessor's license or assess civil penalties
22 for the vehicle lessor's failure to notify the department in writing by electronically submitting a license
23 amendment in the licensing system designated by the department within 10 days of any change,

1 addition, or deletion to the list of vehicle lease facilitators with whom the vehicle lessor conducts
2 business, including any change to a vehicle lease facilitator's mailing address, physical address,
3 telephone number, or email address.

4 (d) The board or department may take action on a vehicle lease facilitator's license or assess civil
5 penalties for the failure to notify the department in writing within 10 days by electronically submitting a
6 license amendment in the licensing system designated by the department of any change, addition, or
7 deletion to the list of vehicle lessors for whom the vehicle lease facilitator conducts business, including
8 any change to a vehicle lessor's mailing address, physical address, telephone number, or email address.

9 (e) The board or department may take action on a vehicle lessor's or vehicle lease facilitator's
10 license if the vehicle lessor or vehicle lease facilitator accepts a fee from a dealer, directly or indirectly,
11 for referring a customer who purchases or considers purchasing a motor vehicle.

13 **SUBCHAPTER F. ADVERTISING.**

15 §215.244. Definitions.

16 The following words and terms, when used in this subchapter, shall have the following
17 meanings, unless the context clearly indicates otherwise.

18 (1) Advertisement--

19 (A) An oral, written, graphic, or pictorial statement or representation made in
20 the course of soliciting business, including, but not limited to a statement or representation:

21 (i) made in a newspaper, magazine, or other publication;

22 (ii) contained in a notice, sign, poster, display, circular, pamphlet, or
23 letter;

1 (iii) aired on the radio;

2 (iv) broadcast on the internet or television; or

3 (v) streamed via an online service;

4 (vi) displayed on an internet website or social media platform; or

5 (vii) sent electronically.

6 (B) Advertisement does not include direct communication between a person or
7 person's representative and a prospective purchaser.

8 (2) Advertising provision--

9 (A) A provision of Occupations Code, Chapter 2301, relating to the regulation of
10 advertising; or

11
12 (B) A rule relating to the regulation of advertising, adopted pursuant to the
13 authority of Occupations Code, Chapter 2301.

14 (3) Bait advertisement--An alluring but insincere offer to sell or lease a product of which
15 the primary purpose is to obtain a lead to a person interested in buying or leasing merchandise of the
16 type advertised and to switch a consumer from buying or leasing the advertised product in order to sell
17 or lease some other product at a higher price or on a basis more advantageous to the dealer.

18 (4) Balloon payment--Any scheduled payment made as required by a consumer credit
19 transaction that is more than twice as large as the average of all prior scheduled payments except the
20 down payment.

21 (5) Clear and conspicuous--The statement, representation, or term being disclosed is of
22 such size, color, contrast, and audibility and is presented so as to be readily noticed and understood. All

1 language and terms, including abbreviations, shall be used in accordance with their common or ordinary
2 usage and meaning.

3 (6) Cure--after receiving a notice of an opportunity to cure letter, a license holder's
4 agreement to not violate the advertising rule cited in the opportunity to cure letter for a two-year
5 period, and if applicable, any action necessary to correct a consumer harm caused by the alleged
6 advertising violation such as issuing a consumer refund.

7 (7) [(6)] Dealership addendum--A form that is displayed on a window of a motor vehicle
8 when a dealership installs special features, equipment, parts, or accessories, or charges for services not
9 already compensated by the manufacturer or distributor for work required to prepare a motor vehicle
10 for delivery to a buyer.

11 (A) The purpose of the addendum is to disclose:

12 (i) that it is supplemental;

13 (ii) any added feature, service, equipment, part, or accessory, including
14 the retail price, charged and added by the dealership;

15 (iii) any additional charge to the selling price such as additional
16 dealership markup; and

17 (iv) the total dealer selling price.

18 (B) The dealership addendum form shall not be deceptively similar in
19 appearance to the Monroney label, as defined by paragraph (13) of this section.

20 (8) [(7)] Demonstrator--A new motor vehicle that is currently in the inventory of the
21 automobile dealership and used primarily for test drives by customers and for other purposes
22 designated by the dealership.

23 (9) [(8)] Disclosure--Required information that is clear, conspicuous, and accurate.

1 (10) ~~(9)~~ Distributor Suggested Retail Price (DSRP)--means the total price shown on the
2 Monroney Label as specified by subparagraph (D) of paragraph (13) of this section.

3 (11) ~~(10)~~ Factory executive/official motor vehicle--A new motor vehicle that has been
4 used exclusively by an executive or official of the dealer's franchising manufacturer, distributor, or their
5 subsidiaries.

6 (12) ~~(11)~~ Limited rebate--A rebate that is not available to every consumer purchasing
7 or leasing a motor vehicle because qualification for receipt of the rebate is conditioned or restricted in
8 some manner. A rebate conditioned or restricted to purchasers who are residents of the contiguous
9 United States is not a limited rebate.

10 (13) ~~(12)~~ Manufacturer's Suggested Retail Price (MSRP)--means the total price shown
11 on the Monroney Label as specified by subparagraph (D) of paragraph (13) of this section.

12 (14) ~~(13)~~ Monroney Label--The label required by the Automobile Information
13 Disclosure Act, 15 U.S.C. §§1231 - 1233, to be affixed to the windshield or side window of certain new
14 motor vehicles delivered to the dealer and that contains information about the motor vehicle, including,
15 but not limited to:

16 (A) the retail price of the motor vehicle suggested by the manufacturer or
17 distributor, as applicable;

18 (B) the retail delivered price suggested by the manufacturer or distributor, as
19 applicable, for each accessory or item of optional equipment, physically attached to the motor vehicle at
20 the time of its delivery to a dealer, which is not included within the price of the motor vehicle as stated
21 in subparagraph (A) of this paragraph;

22 (C) the amount charged, if any, to a dealer for the transportation of the motor
23 vehicle to the location at which it is delivered to the dealer; and

1 (D) the total of the amounts specified pursuant to subparagraphs (A), (B), and
2 (C) of this paragraph.

3 (15) [(14)] Online service--A network that connects computer users.

4 (16) [(15)] Rebate or cash back--A sum of money applied to the purchase or lease of a
5 motor vehicle or refunded after full payment has been rendered for the benefit of the purchaser.

6 (17) [(16)] Savings claim or discount--An offer to sell or lease a motor vehicle at a
7 reduced price, including, but not limited to, a manufacturer's or distributor's customer rebate, a dealer
8 discount, or a limited rebate.

9 (18) [(17)] Subsequent violation--A violation of an advertising rule identified in an
10 opportunity to cure letter during the cure period. [Conduct that is the same or substantially the same as
11 conduct the department has previously alleged in a notice of an opportunity to cure to be a violation of
12 an advertising provision.]

13
14 nd an opportunity to request a hearing as provided in Occupations Code, Chapter 2301.

15
16 §215.270. Enforcement.

17 (a) The department may file a Notice of Department Decision against a license holder alleging a
18 violation of an advertising provision pursuant to Occupations Code, §2301.203, provided the
19 department can show:

20 (1) that the license holder who allegedly violated an advertising provision has received
21 from the department a notice of an opportunity to cure the violation by certified mail, return receipt
22 requested, in compliance with subsection (b) of this section; and

23 (2) that the license holder;

1 (A) did not timely respond to the notice of an opportunity to cure, or

2 (B) agreed to cure the violation but violated the cure agreement by failing to

3 correct a consumer harm or by committing a subsequent violation. ~~[committed a subsequent violation~~
4 ~~of the same advertising provision.]~~

5 (b) An effective notice of an opportunity to cure issued under subsection (a)(1) of this section
6 must:

7 (1) state that the department has reason to believe that the license holder violated an
8 advertising provision and must identify the provision; and

9 (2) set forth the facts upon which the department bases its allegation of a violation. ~~;~~
10 ~~and]~~

11 ~~[(3) state that if the license holder commits a subsequent violation of the same~~
12 ~~advertising provision, the department will file a Notice of Department Decision under §224.56 of this~~
13 ~~title (relating to Notice of Department Decision).]~~

14 ~~[(c) As a part of the cure procedure, the department may require a license holder who allegedly~~
15 ~~violated an advertising provision to publish a retraction notice to effect an adequate cure of the alleged~~
16 ~~violation. A retraction notice must:]~~

17 ~~[(1) appear in a newspaper of general circulation in the area in which the alleged~~
18 ~~violation occurred;]~~

19 ~~[(2) appear in the portion of the newspaper devoted to motor vehicle advertising, if~~
20 ~~any;]~~

21 ~~[(3) identify the date and the medium of publication, print, electronic, or other, in which~~
22 ~~the advertising alleged to be a violation appeared; and]~~

1 ~~[(4) identify the alleged violation of the advertising provision and contain a statement of~~
2 ~~correction.]~~

3 (c) ~~[(d)]~~ A cure is made solely for the purpose of settling an allegation and is not an admission of
4 a violation of these rules; Occupations Code, Chapter 2301; or other law.

Figure: 43 TAC §215.154(b)

If a new license applicant is:	Maximum number of dealer's temporary license plates issued during the first license term is:
1. a franchised motor vehicle dealer	200
2. a franchised motorcycle dealer	50
3. an independent motor vehicle dealer	25
4. an independent motorcycle dealer	10
5. a franchised or independent travel trailer dealer	10
6. a trailer or semitrailer dealer	<u>X</u> [5]
7. an independent mobility motor vehicle dealer	5
8. a wholesale motor vehicle dealer	10
<u>9. a wholesale motor vehicle dealer who also holds a wholesale motor vehicle auction GDN</u>	<u>XX</u>