



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.



# TxDMV Board Meeting

9:00 a.m.

Thursday, December 11, 2025

**AGENDA**  
**BOARD MEETING**  
**TEXAS DEPARTMENT OF MOTOR VEHICLES**  
**4000 JACKSON AVE., BUILDING 1, LONE STAR CONFERENCE ROOM**  
**AUSTIN, TEXAS 78731**  
**PARKING IS AVAILABLE IN THE PARKING LOT ADJACENT TO BUILDING 1**  
**THURSDAY, DECEMBER 11, 2025**  
**9:00 A.M.**

The presiding officer of the Board of the Texas Department of Motor Vehicles (Board) will be physically present at 4000 Jackson Avenue, Austin, Texas 78731. Some Board members may attend via videoconferencing.

Link to December 11, 2025, Board 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 Board. Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Board. Presentations may be made by the identified staff, Board member, or other personnel as needed. The Board reserves the right to discuss any items in closed session where authorized by the Open Meetings Act.

- 1. Roll Call and Establishment of Quorum**
- 2. Pledges of Allegiance - U.S. and Texas**
- 3. Chair's Reports - Chairman Bacarisse (BRIEFING ONLY)**
- A. Introduction of New Board Members Chase Cooley and Mark Roesler
  - B. Chairman's Annual Report to the Governor on State of Affairs - Fiscal Year 2025
  - C. [Proposed 2026 Board Meeting Calendar](#)
- 4. Executive Director's Reports - Daniel Avitia (BRIEFING ONLY)**
- A. [Introduction of New Motor Carrier Division Director - Clint Thompson](#)
  - B. [43<sup>rd</sup> Annual V.G. Young School for Tax Assessor-Collector Conference](#)
  - C. [Recognition of Years of Service](#)

**RULE ADOPTION**

- 5. Chapter 217, Vehicle Titles and Registration - Annette Quintero (ACTION ITEM)**
- Amendments: §217.41**
- New: §217.10 and §217.87**
- Repeal: §217.10**
- [\(Relating to Implementation of SB 2001 and HB 5436, 89th Legislative](#)

PAGE

- 11                    [Session; and Cleanup](#))  
(Published 10/3/25 - 50 TexReg 6469)

**RULE PROPOSAL**

- 32            6.        **Rule Review**  
                 [Rule Review Proposal under Government Code, §2001.039: Chapter 208,](#)  
                 [Employment Practices](#) - Laura Moriaty (ACTION ITEM)
- 34            7.        **Chapter 206, Management** - Clint Thompson (ACTION ITEM)  
                 **Amendments: §206.101**  
                 **New: §206.102**  
                 [\(Relating to Automated Vehicle Regulation Advisory Committee \(AVRAC\)\)](#)
- 41            8.        **Chapter 211, Criminal History Offense and Action on License** - Clint Thompson (ACTION  
                 ITEM)  
                 **Amendments: Subchapter B**  
                 **New: §§211.1, 211.7, and 211.9; and Subchapter C**  
                 **Repeals: §211.1 and §211.2**  
                 [\(Relating to Implementation of SB 1080, 89th Legislative Session; and Cleanup\)](#)
- 70            9.        **Chapter 218, Motor Carriers** - Clint Thompson (ACTION ITEM)  
                 **Amendments: §218.2 and §218.13**  
                 [\(Relating to Cleanup\)](#)

**BRIEFING AND ACTION ITEMS**

- 101           10.       [Specialty Plate Design](#) - Annette Quintero (ACTION ITEM)  
                 Ultimate Fighting Championship (UFC) - New Design Proposed under Transportation  
                 Code §504.851
- 104           11.       **Projects and Operations**
- A.        [Camp Hubbard Renewal Project Update](#) - Glenna Bowman and Dorothy  
                 Spearman (BRIEFING ONLY)
- B.        Technology Projects - Wendy Barron (BRIEFING ONLY)
- 105                    i.        [Registration and Title System \(RTS\) Replacement and Ecosystem](#)  
                 [Modernization](#)
- 107                    ii.       [Motor Carrier Credentialing System \(MCCS\) Rewrite](#)
- 108            C.        [Motor Vehicle Crime Prevention Authority \(MVCPA\) Grants Management](#)  
                 [Tracking System](#) - William Diggs (BRIEFING ONLY)
- 110            D.        [Accounts Receivable Project](#) - Eric Horn (BRIEFING ONLY)
- 112            E.        [Payment Processing Vendor Transition](#) - Eric Horn (BRIEFING ONLY)
-

**12. Finance and Audit**

- 113 A. [Annual Financial Report](#) - Eric Horn (BRIEFING ONLY)
- 115 B. [Internal Audit Division Status Update](#) - Jason Gonzalez (BRIEFING ONLY)
- i. Internal Engagements (BRIEFING ONLY)
    - a. TxDMV Peer Review
    - b. Information Technology Services Division (ITSD) Governance Audit Update
    - c. [Annual Quality Assurance Improvement Program \(QAIP\) Report](#)
    - d. FAO Accounts Receivable Update
    - e. Motor Vehicle Crime Prevention Authority (MVCPA) Audit Update
  - ii. External Engagements (BRIEFING ONLY)  
State Auditor's Office (SAO) Data Management Audit
- 128 C. [Internal Audit Annual Report](#) - Jason Gonzalez (BRIEFING ONLY)

**CLOSED SESSION**

- 13. The Board may enter into closed session under one or more provisions of the Texas Open Meetings Act, Government Code, Chapter 551, including but not limited to:**

**Section 551.071** - Consultation with Attorney.

Consultation with and advice from legal counsel regarding:

- pending or contemplated litigation, or a settlement offer;
- a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code, Chapter 551;
- any item on this agenda; or
- *Lucid Group USA, Inc. vs. Monique Johnston, in her official capacity as Director of the Motor Vehicle Division of the Texas Department of Motor Vehicles, et al.* Court of Appeals Docket No. 25-50319; in the U.S. Court of Appeals for the Fifth Circuit

**Section 551.074** - Personnel Matters.

- Deliberation relating to the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of personnel.
- Hearing a complaint or charge against an officer or employee.
- Performance evaluation of Internal Audit Director, including any modifications to compensation.

**Section 551.076** - Deliberation Regarding Security Devices or Security Audits.

Deliberation regarding:

- the deployment, or specific occasions for implementation, of security personnel or devices; or
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- a security audit.

**Section 551.0761** - Deliberation Regarding Critical Infrastructure Facility.

Deliberation regarding a cybersecurity measure, policy, or contract solely intended to protect a critical infrastructure facility located in Texas.

**Section 551.089** - Deliberation Regarding Security Devices or Security Audits.

Deliberation regarding:

- security assessments or deployments relating to information resources technology;
- network security information as described by Government Code, §2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

**14. Action Items from Closed Session**

Performance evaluation of Internal Audit Director, including any modifications to compensation

**15. Public Comment**

**16. Adjournment**

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

If you would like 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 Board or send an email to [GCO\\_General@txdmv.gov](mailto:GCO_General@txdmv.gov) to register by providing the required information prior to the agenda item being taken up by the Board:

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. Each speaker will be limited to three

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minutes, and time allotted to one speaker may not be reassigned to another speaker

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.

## 2026 Board and Committee Meetings

## PROPOSED DATES

Hold dates for Board Meetings are 2nd Thursdays of February, April, June, August, October and December, and at the call of the Board Chair.

Call to Order is 9:00 a.m., unless otherwise updated. Availability and quorum will be confirmed with all board members. See legend below.

January						
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 Committee Meetings

 Full Board Meetings

 State Holidays and Weekends

**Texas Department of Motor Vehicles**

HELPING TEXANS GO. HELPING TEXAS GROW.

**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Daniel Avitia, Executive Director  
**Agenda Item:** 4.A  
**Subject:** Executive Director's Report: Introduction of New Motor Carrier Division Director - Clint Thompson

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**RECOMMENDATION**

Briefing Only.

**PURPOSE AND EXECUTIVE SUMMARY**

Introduction of Motor Carrier Division (MCD) director for the Texas Department of Motor Vehicles (TxDMV), Clint Thompson.

In this role, Mr. Thompson oversees the state's oversize/overweight permitting system, motor carrier credentialing, and fleet registration programs.

Mr. Thompson joined TxDMV in April 2013 as the manager of the Corpus Christi Regional Service Center and has since held several key leadership positions, including Chief of Title Services, Deputy Director of the Vehicle Titles and Registration Division, and Deputy Director of MCD.

Throughout his tenure, he has demonstrated strong leadership, operational expertise, and an ability to work effectively with agency leadership, elected officials, industry partners, and frontline stakeholders. His public service career began in 2009 with the Dallas County Tax Office, where he developed a foundation of customer service and operational management that would shape his future work in statewide mobility and credentialing programs.

Mr. Thompson holds a Bachelor of Business Administration in Management from Tarleton State University.



**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Daniel Avitia, Executive Director  
**Agenda Item:** 4.B  
**Subject:** Executive Director's Report: 43<sup>rd</sup> Annual V.G. Young School for County Tax Assessor Collector Conference

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#### RECOMMENDATION

Briefing Only.

#### PURPOSE AND EXECUTIVE SUMMARY

Department staff attended the 43<sup>rd</sup> Annual V.G. Young School for Tax Assessor-Collectors Conference held November 17-20, 2025, in Conroe, Texas. The annual event offers continuing education for tax assessor-collectors, deputies and their employees, and provides an opportunity for TxDMV to share information on department activities and directly respond to questions from our county partners.

#### FINANCIAL IMPACT

N/A

#### BACKGROUND AND DISCUSSION

TxDMV staff delivered multiple training sessions during the conference, beginning with a two-hour Title Fraud Training led by County Compliance Services. TxDMV and the McKinsey Group met with a small group of tax assessor-collectors and provided an update on modernization efforts, gathered feedback on emerging needs, and identified potential quick wins. Additional sessions were led by the Vehicle Titles & Registration (VTR) and Enforcement division staff, who covered House Bill (HB) 718 implementation and new registration identification requirements, followed by a one-hour VTR Training Unit presentation on reporting best practices and operational readiness related to HB 718.

Executive leadership held several meetings with county personnel to discuss county-specific matters, and department staff remained engaged throughout the event by hosting a support booth. The booth served as a central point for individualized assistance and featured materials highlighting department operations, legislative updates, and resources requested by counties. Overall, the conference emphasized collaboration, training, and continued partnership between TxDMV and county offices.



## Texas Department of Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Daniel Avitia, Executive Director  
**Agenda Item:** 4.C  
**Subject:** Executive Director's Report: Recognition of Years of Service

### RECOMMENDATION

Briefing Only.

### PURPOSE AND EXECUTIVE SUMMARY

The Executive Director acknowledges employees who have achieved significant state service milestones of 20 years or more and those who have retired from the agency. The Texas Department of Motor Vehicles (TxDMV) recognizes the following individuals:

#### State Service Milestones:

##### 20 years:

- Brian Edward Kline – Finance and Operations Division
- Lindsay Frank – Consumer Relations Division
- Amanda Porter-Brown – Vehicle Titles and Registration Division

##### 25 years:

- Felicia Cantu – Information Technology Services Division
- Priscilla Ortuno Kanute – Information Technology Services Division
- Julie Payne – Vehicle Titles and Registration Division

##### 35 years:

- Lisa Conley – Finance and Operations Division
- Stacey Cullen – Enforcement Division

##### Retirements:

- Tracy Papke – Consumer Relations Division, 34 years of state service
- Misha Buckman – Consumer Relations Division, 29 years of state service

**To:** Texas Department of Motor Vehicles Board  
**From:** Annette Quintero, Vehicle Titles & Registration Division Director  
**Agenda Item:** 5  
**Subject:** Chapter 217, Vehicle Titles and Registration  
Amendments: §217.41  
New: §217.10 and §217.87  
Repeal: §217.10  
(Relating to Implementation of SB 2001 and HB 5436, 89<sup>th</sup> Legislative Session; and Cleanup)

### **RECOMMENDATION**

Action Item. Adopt proposed repeal, amendments and new sections in 43 Texas Administrative Code Chapter 217.

### **PURPOSE AND EXECUTIVE SUMMARY**

This rule item would adopt a repeal, amendments and new sections to implement Senate Bill (SB) 2001, 89<sup>th</sup> Legislature, Regular Session (2025), House Bill (HB) 5436, 89<sup>th</sup> Legislature, Regular Session (2025), and clarify the language in Chapter 217.

### **FINANCIAL IMPACT**

There will be no significant fiscal implications due to the proposed amendments.

### **BACKGROUND AND DISCUSSION**

Amendments are being adopted to implement SB 2001, which created Transportation Code §504.2025, that established the right of qualifying peace officers to obtain disabled peace officer license plates and disabled parking placards.

A new section is being adopted to implement HB 5436, which created Transportation Code §501.098, that provides a process for a used automotive parts recycler to acquire motor vehicles without titles for the purpose of dismantling, scraping and parting them, without incurring the cost and delay of going through the bonded title process.

Finally, a repeal and replacement are being adopted to eliminate text that is duplicative of statute and to clarify title decisions that are subject to an appeal hearing before a county tax assessor-collector.

### **Comments**

The proposed rules were published for comment in the October 3, 2025, issue of the *Texas Register*. The comment period closed on November 3, 2025.

The department received a written comment from the Texas Automotive Recyclers Association (TARA). The department is recommending a change to the rule text at adoption in response to the comment.

### **Recommended Changes at Adoption**

- **§217.87:** In response to the comment from TARA, staff proposes to add “or electronically following the procedures set out on the department’s website” to §217.87(c) that would expand the options of submitting a department form by used auto parts recyclers to include electronic submission as an alternative to the in-person submission of the form currently proposed for the rule.

## TITLE 43. TRANSPORTATION

Adopted Sections

Part 10. Texas Department of Motor Vehicles

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Chapter 217 – Vehicle Titles and Registration

**ADOPTION OF REVISIONS TO****SUBCHAPTER B. MOTOR VEHICLE REGISTRATION****43 TAC §217.41****NEW SECTIONS****SUBCHAPTER A. MOTOR VEHICLE TITLES****43 TAC §217.10****SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES****43 TAC §217.87****REPEAL OF****SUBCHAPTER A. MOTOR VEHICLE TITLES****43 TAC §217.10**

**INTRODUCTION.** The Texas Department of Motor Vehicles (department) adopts amendments to 43 Texas Administrative Code (TAC) Chapter 217, Vehicle Titles and Registration. The department adopts the simultaneous repeal of Subchapter A, Motor Vehicle Titles; §217.10, relating to Appeal to the County, and addition of new Subchapter A, Motor Vehicle Titles; §217.10, relating to Department Decisions on Titles and Appeals to the County. The department additionally adopts amendments to Subchapter B, Motor Vehicle Registration; §217.41, relating to Disabled Person License Plates and Disabled Parking Placards. The department further adopts new Subchapter D, Nonrepairable and Salvage Motor Vehicles; §217.87, relating to Requirements for Certain Vehicles Acquired by a Used Automotive Parts Recycler Without a Title. The amendments, new sections, and repeal are necessary to implement legislation, to clarify existing statutory requirements, and to make nonsubstantive grammatical changes to improve readability.

The department adopts §217.10 and §217.41 without changes to the proposed text as published in the October 3, 2025, issue of the *Texas Register* (50 TexReg 6469) and they will not be republished. The

## TITLE 43. TRANSPORTATION

Adopted Sections

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## Chapter 217 – Vehicle Titles and Registration

1 department adopts §217.87 with revisions to the proposed text as published in the October 3, 2025, issue  
2 of the *Texas Register* (50 TexReg 6469) and it will be republished. In conjunction with this adoption, the  
3 department is adopting the repeal of §217.10, which is also published in this issue of the *Texas Register*.

4 **REASONED JUSTIFICATION.** The repeal of §217.10, relating to Appeal to the County, is adopted because  
5 the current language in the section is duplicative of the statutory requirements in Transportation Code,  
6 §501.052, and is therefore unnecessary as rule text. To replace the repealed section, the department  
7 adopts new §217.10, relating to Department Decisions on Titles and Appeals to the County. Adopted new  
8 §217.10(a) clarifies what constitutes evidence of a title refusal or revocation by the department under  
9 Transportation Code, §501.051, for purposes of determining eligibility for a hearing by a tax accessor-  
10 collector under Transportation Code, §501.052. The adopted language in new §217.10(a) specifies that  
11 for purposes of determining whether a person is eligible for a tax accessor-collector hearing under  
12 Transportation Code §501.052, the official record of the department's refusal to issue a title is a written  
13 notice of determination from the department. Adopted new §217.10(a) also clarifies that the official  
14 record of a revoked title is a revocation remark on the motor vehicle record in the department's  
15 Registration and Title System. These adopted new provisions clarify and prevent confusion about the  
16 official records of department action that demonstrate eligibility for an appeal hearing under  
17 Transportation Code, §501.052.

18 Adopted new §217.10(b) clarifies that a department decision that an applicant is ineligible to  
19 obtain a bonded title under Transportation Code §501.053 is a not a refusal to issue title under  
20 Transportation Code, §501.051, and therefore is not subject to a tax accessor-collector hearing under  
21 Transportation Code, §501.052. This adopted new language addresses confusion by some tax  
22 accessor-collectors, who have incorrectly treated the department's ineligibility determinations under  
23 Transportation Code, §501.053 as refusals to title under Transportation Code, §501.051. Adopted

## TITLE 43. TRANSPORTATION

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## Chapter 217 – Vehicle Titles and Registration

1 new §217.10(b) also aligns the department’s rules with recent court rulings, which held that a notice  
2 from the department that a vehicle is ineligible for bonded title is not a refusal by the department  
3 to issue title under Transportation Code, §501.051.

4 Adopted amendments to §217.41, relating to Disabled Person License Plates and Disabled Parking  
5 Placards, implement Senate Bill (SB) 2001, 89<sup>th</sup> Legislature, Regular Session (2025), which created  
6 Transportation Code, §504.2025, relating to Peace Officers with Disabilities. Section 504.2025 established  
7 the right of a qualifying peace officer to obtain disabled peace officer license plates and disabled parking  
8 placards. Adopted amendments to §217.41(b)(1), (b)(2)(A), and (b)(3)(A) add statutory references to  
9 Transportation Code, §504.2025, to include qualifying disabled peace officers as “disabled persons”  
10 for purposes of the eligibility for and issuance of disabled person license plates and disabled parking  
11 placards under §217.41. Adopted new §217.41(b)(2)(D) clarifies Transportation Code, §504.202(h) and  
12 §504.2025(h) by explaining that qualifying disabled veterans and disabled peace officers have the  
13 option to obtain general issue license plates at no expense, in lieu of disabled veteran or peace  
14 officer license plates. An adopted amendment to §217.41(b)(1) also adds a reference to the  
15 Transportation Code to the citation to §504.202(b-1). An adopted amendment to §217.41(b)(2)(B)  
16 adds the titles to §217.43 and §217.45 for ease of reference to these sections. An adopted  
17 amendment to §217.41(c) adds the title to §217.28 for ease of reference. Adopted amendments  
18 throughout §217.41 correct punctuation to statutory citations by inserting commas between the  
19 Texas code and section number.

20 Adopted new §217.87, relating to Requirements for Certain Vehicles Acquired by a Used  
21 Automotive Parts Recycler Without a Title, implements House Bill (HB) 5436, 89<sup>th</sup> Legislature, Regular  
22 Session (2025). Transportation Code, §501.098, relating to Exception to Title Requirement for Certain  
23 Vehicles, provides a process for a used automotive parts recycler (recycler) to acquire motor vehicles

## TITLE 43. TRANSPORTATION

Adopted Sections

## Part 10. Texas Department of Motor Vehicles

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## Chapter 217 – Vehicle Titles and Registration

1 without titles for the purpose of dismantling, scraping and parting them, without incurring the cost and  
2 delay of going through the bonded title process. Adopted new §217.87(a)(1) informs a recycler of their  
3 obligation to determine if a motor vehicle acquired without a title under Transportation Code,  
4 §501.098(a) has been reported stolen or is subject to a recorded lien or security interest by submitting a  
5 form to the department within the time prescribed by Transportation Code, §501.098(c) and  
6 §501.098(g). Adopted new §217.87(a)(2) requires the recycler to separately report this information to  
7 the National Motor Vehicle Title Information System (NMVTIS), to comply with Transportation Code,  
8 §501.098(c) and to clarify that the department will not be reporting information to NMVTIS on the  
9 recycler's behalf.

10 Adopted new §217.87(b) describes the information that the recycler must submit on a  
11 department form to ascertain whether a vehicle was reported stolen or is subject to any recorded liens,  
12 consistent with the information specified under 28 C.F.R. §25.56, to implement the requirements  
13 provided in Transportation Code, §501.098(c) and §501.098(g). Adopted new §217.87(b)(5) requires  
14 recyclers to attest that the vehicle meets the requirements of Transportation Code, §501.098(a)(1) and  
15 (2), in order to ensure that the vehicle is eligible for a recycler to purchase without obtaining title, so  
16 that the department can avoid wasting resources by processing forms for ineligible vehicles. At adoption  
17 and in response to a public comment, the proposed language for new §217.87(c) was modified to add  
18 "or electronically following the procedures set out on the department's website," to allow for an  
19 electronic method of delivering the form to the department. This is an optional, but likely faster and  
20 more efficient alternative to delivering the form in person to one of the department's 18 regional  
21 service centers. The language added to new §217.87(c) at adoption will also allow the department  
22 flexibility on the specific method of electronic delivery, so that the department can use monitored email



## TITLE 43. TRANSPORTATION

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## Chapter 217 – Vehicle Titles and Registration

1 or electronic forms until it has an opportunity to develop and deploy a more sophisticated electronic  
2 system for handling the submission of the forms.

3 Adopted new §217.87(d) describes the actions the department will take in response to receiving  
4 the recycler's form under subsection (b) of this section. Adopted new §217.87(d)(1)(A) requires the  
5 department to provide the recycler with notice of whether the motor vehicle has been reported stolen  
6 either in person or by email, to assure that the department meets the 48-hour deadline for issuing the  
7 notice in accordance with Transportation Code, §501.098(d). Adopted new §217.87(d)(1)(B) describes  
8 the department's method of informing the recycler in person or by email if the vehicle is subject to a  
9 recorded lien or security interest in the department's Registration and Title System, to expedite the  
10 notice required under Transportation Code, §501.098(g). Adopted new §217.87(d)(1)(B) also informs the  
11 recycler of the process of obtaining from the department the contact information for a recorded lien  
12 holder, which is information that Transportation Code, §501.098(h)(2) requires the recycler provide to  
13 the county tax accessor-collector. Adopted new §217.87(d)(2) clarifies that if there is a motor vehicle  
14 record for the vehicle in the department's Registration and Title System, the department will make a  
15 notation in the motor vehicle record that the motor vehicle has been dismantled, scrapped or  
16 destroyed, and cancel the title issued by the department for the motor vehicle, in accordance with  
17 Transportation Code, §501.098(f).

18 Adopted new §217.87(e) describes the process for a lienholder or last registered owner of a  
19 motor vehicle acquired by a recycler under Transportation Code, §501.098 to request that the  
20 department reinstate the title and remove a notation in the department's records for the motor vehicle  
21 made under Transportation Code, §501.098(f)(1) and adopted new §217.87(d)(2), indicating that the  
22 vehicle had been dismantled, scrapped or destroyed. Adopted new §217.87(e) describes the process of  
23 making the request to the department by presenting valid proof of identification and submitting a

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1 receipt received from the recycler transferring the motor vehicle back to the lienholder or last registered  
2 owner. The adopted new provisions for §217.87(e) implement and administer Transportation Code,  
3 §501.098(j), which provides a lienholder or last registered owner the right to retrieve the motor vehicle  
4 acquired by the recycler under Transportation Code, §501.098. Additionally, adopted new §217.87(e)  
5 avoids subjecting the lienholder or last registered owner to any additional costs, such as the bonded title  
6 process would require.

7 Adopted new §217.87(f) describes the form and format for the records a recycler is required to  
8 compile under Transportation Code, §501.098(b) and have available for inspection by law enforcement  
9 or department personnel under Transportation Code, §501.098(m). Adopted new §217.87(f)(1) requires  
10 a recycler to collect and record the information specified under Transportation Code, §501.098(b)(1)-(9)  
11 on a department form made available on the department's website, and to maintain that form together  
12 with the identification documents under Transportation Code, §501.098(b)(10) and the department's  
13 response under adopted new §217.87(d). Adopted new §217.87(f)(2) allows a recycler the option to  
14 maintain records in an electronic format. The adopted new §217.87(f) implements Transportation Code,  
15 §501.098(b), to clarify the manner in which a recycler is to compile and maintain the information  
16 specified in Transportation Code, §501.098(b) and (c), for inspection under Transportation Code,  
17 §501.098(m).

**SUMMARY OF COMMENTS.**

18  
19 The department received one written comment on the proposal from the Texas Automotive Recyclers  
20 Association (TARA).

21 **Comment:** TARA commented that while they understood the department is currently developing an  
22 electronic system to receive and process forms submitted by recyclers, they requested the department

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1 revise §217.87(c) to provide an option for recyclers to deliver the forms to the department by electronic  
2 means as a more efficient alternative to an in-person visit to a department regional service center. TARA  
3 further commented that the department could offer an interim hybrid system allowing recyclers to submit  
4 a department form via email or in person.

5 **Response.** The department agrees. The department modified the proposed language in §217.87(c) at  
6 adoption to address this concern by adding “or electronically following the procedures set out on the  
7 department’s website” that allows for an electronic submission of the form by recyclers.

8

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## Chapter 217 – Vehicle Titles and Registration

## SUBCHAPTER A. MOTOR VEHICLE TITLES

## 43 TAC §217.10

**STATUTORY AUTHORITY.** The department adopts new §217.10 under Transportation Code, §501.0041, which gives the department authority to adopt rules to administer Transportation Code, Chapter 501; Transportation Code, §501.051, which gives the department authority to refuse, cancel, suspend or revoke a title; Transportation Code, §501.053, which gives the department authority to determine the eligibility for a bonded title; Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department; and the statutory authority referenced throughout the preamble and in the rule text.

**CROSS REFERENCE TO STATUTE.** The adopted new section would implement Transportation Code, Chapters 501 and 1002.

TEXT.

§217.10. Department Decisions on Titles and Appeals to the County.

(a) Department refusal or revocation of title. For purposes of Transportation Code, §501.052, the official record of the department's refusal to issue a title under its authority in Transportation Code, §501.051 is the department's notice of determination regarding the application. The official record of the department's revocation of a title is the entry of a revocation remark on the motor vehicle record in the department's Registration and Title System.

(b) Department determination of ineligibility for bonded title. A department determination of ineligibility for bonded title is made under the authority of Transportation Code, §501.053 and is not a refusal to issue a title under Transportation Code, §501.051. An applicant that receives a

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notice of ineligibility for bonded title from the department is not eligible to pursue a hearing under Transportation Code, §501.052.

**STATUTORY AUTHORITY.** The department adopts the repeal of §217.10 under Transportation Code, §501.0041, which gives the department authority to adopt rules to administer Transportation Code, Chapter 501, Certificate of Title Act; Transportation Code, §501.051, which gives the department authority to refuse, cancel, suspend or revoke a title; Transportation Code, §501.052, which provides an interested person aggrieved by a refusal, rescission, cancellation, suspension, or revocation under Transportation Code, §501.051, the right to apply for hearing to the county assessor-collector; and Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department.

**CROSS REFERENCE TO STATUTE.** The adopted repeal would implement Transportation Code, Chapters 501 and 1002.

TEXT.

~~[217.10. Appeal to the County.]~~

~~[(a) If the department refuses to issue a title, revokes a title, or suspends a title, the applicant may apply to the county for a tax assessor collector hearing.]~~

~~[(b) The county tax assessor collector must hold a hearing upon receipt of:]~~

~~[(1) a copy of the department's refusal, revocation, or suspension documents; and]~~

~~[(2) an applicant's request for a hearing.]~~

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1           ~~[(c) A person wishing to appeal the county tax assessor-collector ruling may appeal to a court~~  
2           ~~with jurisdiction.]~~

## SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

### 43 TAC §217.41

6           **STATUTORY AUTHORITY.** The department adopts amendments to §217.41 under Transportation Code,  
7           §504.0011, which gives the board authority to adopt rules to implement and administer Transportation  
8           Code, Chapter 504, License Plates; Transportation Code, §504.010, which authorizes the board to adopt  
9           rules governing the placement of license plates on motor vehicles; Transportation Code, §504.202,  
10          entitling a qualifying disabled veteran to elect for license plates issued under Transportation Code,  
11          Chapter 502 in lieu of disabled veteran license plates; Transportation Code, §504.2025, as created by  
12          Senate Bill 2001, 89<sup>th</sup> Legislature, Regular Session (2025), providing a qualifying peace officer with the  
13          option to obtain disabled peace officer license plates and disabled parking placards; Transportation  
14          Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to  
15          implement the powers and the duties of the department; and the statutory authority referenced  
16          throughout the preamble and in the rule text.

17          **CROSS REFERENCE TO STATUTE.** The adopted amendments would implement Transportation Code,  
18          Chapters 504 and 1002.

19  
20          TEXT.

21          §217.41. Disabled Person License Plates and Disabled Parking Placards.

22                 (a) Purpose. Transportation Code, Chapters 504 and 681, charge the department with the  
23          responsibility for issuing specially designed license plates and disabled parking placards for

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disabled persons. For the department to perform these duties efficiently and effectively, this section prescribes the policies and procedures for the application, issuance, and renewal of disabled person license plates and disabled parking placards.

(b) Issuance.

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

(2) Disabled person license plates.

(A) Eligibility. In accordance with Transportation Code, §504.201; ~~and~~ §504.202(b-1) and (b-2); and §504.2025, the department will issue specially designed license plates displaying the International Symbol of Access to permanently disabled persons or their transporters instead of general issue license plates. As satisfactory proof of eligibility, an organization that transports disabled veterans who would qualify for license plates issued under Transportation Code, §504.202(b-1) must provide a written statement from the veteran's county service officer of the county in which a vehicle described by Transportation Code, §504.202(c) is registered or by the Department of Veterans Affairs that:

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

(ii) the vehicle regularly transports veterans who are eligible to receive license plates under Subsection (b-1); and

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

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

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

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

13 (3) Windshield disabled parking placards.

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

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



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

(d) Replacement.

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

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

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

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

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

(1) License plates.

(A) Transfer between persons. Disabled person license plates may not be transferred between persons. An owner who sells or trades a vehicle to which disabled person license plates have been issued shall remove the disabled person license plates from the vehicle. The owner shall return the license plates to the department and shall obtain appropriate replacement license plates to place on the vehicle prior to any transfer of ownership.

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## Chapter 217 – Vehicle Titles and Registration

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

(i) Plate ownership verification may include:

(I) a Registration and Title System (RTS) inquiry;

(II) a copy of the department application for disabled person license plates; or

(III) the owner's current registration receipt.

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

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

(2) Disabled parking placards.

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

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

(f) Seizure and revocation of disabled parking placard.

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

(2) The person to whom the seized disabled parking placard was issued may apply for a new disabled parking placard by submitting an application to the county tax assessor-

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collector of the county in which the person with the disability resides or in which the applicant is seeking medical treatment.

**SUBCHAPTER D. NONREPAIRABLE AND SALVAGE MOTOR VEHICLES****NEW 43 TAC §217.87**

**STATUTORY AUTHORITY.** The department adopts new §217.87 under Transportation Code, §501.0041, which gives the department authority to adopt rules to administer Transportation Code, Chapter 501, Certificate of Title Act; Transportation Code, §501.098, as created by House Bill 5436, 89<sup>th</sup> Legislature, Regular Session (2025), which gives the department authority to prescribe the manner in which a used automotive parts recycler compiles the information required under Transportation Code, §501.098(b) on motor vehicles purchased without title for purposes of dismantling, scrapping or parting, the authority to prescribe the manner in which a used automotive parts recycler submits to the department any information necessary to satisfy any applicable requirement for reporting information to the National Motor Vehicle Title Information System, and the authority to inspect records under Transportation Code, §501.098(m); and Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department; and the statutory authority referenced throughout the preamble and in the rule text.

**CROSS REFERENCE TO STATUTE.** The adopted new section would implement Transportation Code, Chapters 501 and 1002.

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## Chapter 217 – Vehicle Titles and Registration

1 TEXT.

2 217.87. Requirements for Certain Vehicles Acquired by a Used Automotive Parts Recycler Without a

3 Title.

4 (a) Reporting requirements.

5 (1) A used automotive parts recycler (recycler), as defined in Occupations Code

6 §2309.002, that purchases a motor vehicle without a title, in accordance with Transportation Code,

7 §501.098(a), shall determine if the motor vehicle is reported stolen and if the motor vehicle is the

8 subject of any recorded security interests or liens by completing and submitting the form described in

9 subsection (b) of this section to the department within the time provided under Transportation Code,

10 §501.098(c) and §501.098(g).

11 (2) A recycler must separately report the information specified under Transportation

12 Code, §501.098(c) to the National Motor Vehicle Title Information System.

13 (b) Information on form. A recycler shall submit a form containing the following information:

14 (1) name, mailing address, email address and phone number of the recycler;

15 (2) the vehicle identification number for the motor vehicle;

16 (3) the date the motor vehicle was obtained;

17 (4) the name of the individual or entity from whom the motor vehicle was obtained;

18 (5) A statement that the vehicle:

19 (A) is at least 13 years old,

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## Chapter 217 – Vehicle Titles and Registration

1                               (B) is purchased solely for parts, dismantling, or scrap, and

2                               (C) has not been registered for at least seven years; and

3                               (6) the signature of the recycler or the recycler's authorized agent.

4                               (c) Submittal of form. The form shall be submitted to the department in person at one of the  
5 department's regional offices or electronically following the procedures set out on the department's  
6 website.

7                               (d) Department response.

8                               (1) Upon receipt of a completed and signed form under subsection (b) of this section,  
9 the department shall:

10                               (A) notify the recycler, in person or via the email address specified on the form,  
11 within the time specified under Transportation Code, §501.098(d), whether the motor vehicle has been  
12 reported stolen; and

13                               (B) notify the recycler, in person or via the email address specified on the form,  
14 whether the motor vehicle is the subject of a recorded security interest or lien in the department's  
15 Registration and Title System. If the vehicle has a recorded lien or security interest, the recycler may  
16 obtain the contact information of the holder of that recorded lien or security interest from the  
17 department by submitting a request in accordance with §217.123 of this title (relating to Access to  
18 Motor Vehicle Records).

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## Chapter 217 – Vehicle Titles and Registration

1                   (2) If the motor vehicle has a motor vehicle record in the department's Registration and  
2   Title System, the department shall:

3                   (A) add a notation to the motor vehicle record that the motor vehicle has been  
4   dismantled, scrapped, or destroyed; and

5                   (B) cancel the title issued by the department for the motor vehicle.

6                   (e) Vehicles retrieved from recycler. The department shall reinstate the title and remove the  
7   notation in the department's records specified under subsection (d)(2) of this section and  
8   Transportation Code, §501.098(f)(1) at the request of a lienholder or last registered owner of a vehicle  
9   that is retrieved from a recycler under Transportation Code, §501.098(j). The request must include:

10                  (1) a receipt from the recycler transferring the vehicle to the lienholder or last registered  
11   owner that includes the vehicle identification number, year and make; and

12                  (2) valid proof of identification as provided in §217.7 of this title (relating to  
13   Replacement of Title).

14                  (f) Records.

15                  (1) A recycler shall collect and record the information specified in Transportation Code,  
16   §501.098(b)(1)-(9) on a form available on the department's website and maintain that form with the  
17   identification documents under Transportation Code, §501.098(b)(10) and the department's response  
18   under subsection (d) of this section.

19                  (2) The records may be maintained in an electronic format.

**Texas Automotive Recyclers Association**  
**Comments on Proposed Rules 43 TAC Section 217.87**  
**Relating to the Implementation HB 5436, 89<sup>th</sup> Legislature**  
**October 31, 2025**

The Texas Automotive Recyclers Association (TARA) is the statewide organization of used automotive parts recyclers (UAPRs). Since 1965, TARA has represented an industry dedicated to safe and environmentally responsible removal, reuse and disposal of automotive parts and inoperable motor vehicles.

Under current law, licensed and regulated used automotive parts recyclers may only purchase titled vehicles, regardless of the age or condition of the vehicle. However, there is a robust illegal marketplace for non-titled vehicles operated by unlicensed and unregulated operators that do no reporting to state or federal government. These illegal operators are bold and even advertise online that they buy non-titled vehicles. When the illegal operators purchase non-titled vehicles, the vehicles “disappear” but the titles remain active, and Vehicle Identification Numbers or VINS remain valid and may be used to conceal the identity of a stolen vehicle known as VIN Cloning. These vehicles often end up at illegal chop shops or being used in committing crimes.

To help to curb this illegal activity, TARA proposed legislation to Representative Keith Bell and Senator Royce West who successfully passed HB 5436 unanimously through the Texas House of Representatives and the Texas Senate. Governor Greg Abbott signed the bill into law on June 20, 2025.

The bill allows licensed and regulated UAPRs to purchase non-titled vehicles that are: least 13 years old; have been unregistered for 7 years; and are purchased solely for parts, dismantling or scraping. The bill requires the reporting of vehicle information to the Texas Department of Motor Vehicles (TxDMV) and to the National Vehicle Title Information System so that the VINs are cancelled. Additionally, under the bill if there is an active lien on the vehicle, the lienholder must be notified and the vehicle returned at no charge. And finally, HB 5436 classifies violations of certain requirements of the bill as misdemeanor and/or state jail felony offenses.

TARA welcomes the opportunity to submit comments regarding proposed 43 TAC Section 217.87 put forward by the TxDMV and have appreciated discussions with staff regarding the proposal. While we understand that at this time, TxDMV does not have the computer capability to implement HB 5436 electronically, we strongly encourage the agency to develop such capability as soon as possible to fully realize the intent of the legislation. To that end, we ask that the rule be drafted with the flexibility to allow for future electronic capability and request that proposed Section 217.87(c) be revised so that it no longer requires only in-person submission of forms.

As the department develops an electronic solution, TARA recommends a hybrid system rather than a purely in-person system that is burdensome and inefficient for UAPRs and the department. We propose that TxDMV promulgate forms pursuant to the legislation and make them available online so that UAPRs can complete the forms and submit them via email to the department.

TARA stands ready to work with TxDMV to efficiently and effectively implement HB 5436. Should you have any questions please contact CJ Tredway at [REDACTED] or 512/751-0743.

Thank you for your time and consideration.



## Texas Department of Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**Board Meeting Date: 12/11/2025**

**ACTION ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Laura Moriaty, General Counsel  
**Agenda Item:** 6  
**Subject:** Rule Review Proposals under Government Code, §2001.039: Chapter 208, Employment Practices

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### RECOMMENDATION

Action Item. Approval to publish the proposed rule review in the *Texas Register* for public comment.

### PURPOSE AND EXECUTIVE SUMMARY

The department proposes to review 43 Texas Administrative Code (TAC), Chapter 208, Employment Practices. This review is being conducted under Texas Government Code, §2001.039.

### FINANCIAL IMPACT

N/A

### BACKGROUND AND DISCUSSION

Texas Government Code, §2001.039 requires the department to review and consider for readoption each of its rules every four years.

The Texas Government Code requires the department to determine through the rule review whether the reasons for initially adopting these rules continue to exist and whether these rules should be repealed, readopted, or readopted with amendments. Necessary repeals and amendments identified during the review of these rules will be presented to the board separately for proposal and publication in the *Texas Register* in accordance with the Administrative Procedure Act, Texas Government Code, Chapter 2001. No amendments are being made to Chapter 208.



### **Intention to Review**

The Texas Department of Motor Vehicles (department) will review and consider whether to readopt, readopt with amendments, or repeal 43 Texas Administrative Code, Chapter 208, Employment Practices. This review is being conducted pursuant to Government Code, §2001.039.

The board will assess whether the reasons for initially adopting these rules continue to exist and whether the rules should be repealed, readopted, or readopted with amendments. No changes are currently proposed for Chapter 208.

If you want to comment on this rule review proposal, submit your written comments by 5:00 p.m. CST on January 26, 2026. A request for a public hearing must be sent separately from your written comments. Send written comments or hearing requests by email to [rules@txdmv.gov](mailto:rules@txdmv.gov) or by mail to Office of General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the department will consider written comments and public testimony presented at the hearing.

**Board Meeting Date: 12/11/2025**  
**ACTION ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Laura Moriaty, General Counsel  
**Agenda Item:** 7  
**Subject:** Proposal of Rules under Title 43, Texas Administrative Code, Chapter 206, Management Amendment, §206.101  
New, §206.102  
(Relating to Automated Vehicle Regulation Advisory Committee (AVRAC))

---

#### RECOMMENDATION

ACTION ITEM. Approval to publish the proposed amendment and new section in the *Texas Register* for public comment.

#### PURPOSE AND EXECUTIVE SUMMARY

The proposed amendment to 43 Texas Administrative Code (TAC) §206.101 and new §206.102 are necessary to create an Automated Vehicle Regulation Advisory Committee to assist the Board and the executive director with recommendations regarding regulation of automated motor vehicles in Texas, including the protection of consumers of automated motor vehicle services.

#### FINANCIAL IMPACT

There will be no fiscal implications related to the proposed amendments and new section.

#### BACKGROUND AND DISCUSSION

Proposed amendments to §206.101(b)(1) would include the new AVRAC in the list of department advisory committees that take public comment on matters within the scope of the advisory committee. For the AVRAC, the scope of the advisory committee is set out in proposed new §206.102(a) as “topics related to the regulation of automated motor vehicles.” The proposed new §206.102 creates the AVRAC as a stand-alone advisory committee, and would set in rule the purpose, tasks, reporting requirements and expiration, in accordance with Government Code, Chapter 2110.

**PROPOSAL OF REVISION TO****SUBCHAPTER D. ADVISORY COMMITTEES****43 TAC §206.101****AND****NEW §206.102**

**INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes to amend 43 Texas Administrative Code (TAC) §206.101 and proposes new 43 TAC §206.102. These proposed revisions are necessary to create an Automated Vehicle Regulation Advisory Committee to assist the board and the executive director with recommendations regarding the regulation of automated motor vehicles in Texas, including the protection of consumers of automated motor vehicle services.

**EXPLANATION.**

Senate Bill (SB) 2807, 89th Legislature, Regular Session (2025), tasked the department with regulating automated motor vehicles by issuing authorizations to transport property or passengers in furtherance of a commercial enterprise on Texas streets and highways without a human driver. To create an efficient means for the department to get input on issues that arise in the regulation of automated motor vehicles, proposed new §206.102 would create the Automated Vehicle Regulation Advisory Committee (AVRAC) as a stand-alone advisory committee pursuant to the Transportation Code, §1001.031, which requires the department to retain or establish one or more advisory committees to make recommendations to the board or the executive director. The department may seek advice and recommendations from the AVRAC when the department proposes rule amendments pursuant to Transportation Code §545.453 and §545.456, as amended by SB 2807. Proposed new §206.102(c) would set the expiration date for the AVRAC as July 7, 2031, to align with the renewal schedule for the other department advisory committees without requiring the department to renew the AVRAC within the next two years.

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## Chapter 206 - Management

1 Proposed amendments to §206.101(b)(1) would include the new AVRAC in the list of department  
2 advisory committees that take public comment on matters within the scope of the advisory committee.  
3 For the AVRAC, the scope of the advisory committee is set out in proposed new §206.102(a) as “topics  
4 related to the regulation of automated motor vehicles.”

5 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,  
6 has determined that for each year of the first five years the proposed new section and amendment will  
7 be in effect, there will be no significant fiscal impact to state or local governments as a result of the  
8 enforcement or administration of the proposal. Clint Thompson, Director of the Motor Carrier Division,  
9 has determined that there will be no measurable effect on local employment or the local economy as a  
10 result of the proposal.

11 **PUBLIC BENEFIT AND COST NOTE.** Mr. Thompson has determined that, for each year of the first five  
12 years the proposed new and amended sections are in effect, the anticipated public benefits are increased  
13 opportunities for stakeholders and the public to provide input into rulemaking and policy development  
14 by the department on issues relevant to automated motor vehicle regulation in Texas. Mr. Thompson  
15 anticipates that there will be no costs to comply with the new section and amendment because the new  
16 section and amendment do not establish any additional requirements on regulated persons. Advisory  
17 committee members serve on a voluntary basis.

18 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by Government  
19 Code, §2006.002, the department has determined that the proposed new section and amendment will  
20 not have an adverse economic effect on small businesses, micro-businesses, and rural communities  
21 because the new section and amendment do not add new requirements on, or directly affect, small  
22 businesses, micro-businesses, or rural communities. The proposed new section and amendment do not

## TITLE 43. TRANSPORTATION

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## Chapter 206 - Management

1 require small businesses, micro-businesses, or rural communities to comply. Therefore, the department  
2 is not required to prepare a regulatory flexibility analysis under Government Code, §2006.002.

3 **TAKINGS IMPACT ASSESSMENT.** The department has determined that no private real property interests  
4 are affected by this proposal and that this proposal does not restrict or limit an owner's right to property  
5 that would otherwise exist in the absence of government action and, therefore, does not constitute a  
6 taking or require a takings impact assessment under Government Code, §2007.043.

7 **GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the  
8 first five years the proposed new section and amendment are in effect, no government program would  
9 be created or eliminated. Implementation of the proposed new section and amendment would not  
10 require the creation of new employee positions or elimination of existing employee positions.  
11 Implementation would not require an increase or decrease in future legislative appropriations to the  
12 department, or an increase or decrease of fees paid to the department. Proposed new §206.102 creates  
13 a new regulation, which creates the AVRAC. The proposed revisions do not expand, limit, or repeal an  
14 existing regulation. Lastly, the proposed new section and amendment do not affect the number of  
15 individuals subject to the applicability of the rules and will not affect this state's economy.

16 **REQUEST FOR PUBLIC COMMENT.** If you want to comment on the proposal, submit your written  
17 comments by 5:00 p.m. CST on January 26, 2026. The department requests information related to the  
18 cost, benefit, or effect of the proposed rule, including any applicable data, research, or analysis, from any  
19 person required to comply with the proposed rule or any other interested person. A request for a public  
20 hearing must be sent separately from your written comments. Send written comments or hearing  
21 requests by email to [rules@txdmv.gov](mailto:rules@txdmv.gov) or by mail to Office of General Counsel, Texas Department of Motor  
22 Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the department will consider  
23 written comments and public testimony presented at the hearing.

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Chapter 206 - Management

**STATUTORY AUTHORITY.** The department proposes an amendment to §206.101 and proposes new §206.102 under Transportation Code, §1001.031, which authorizes the department to retain or establish one or more advisory committees to make recommendations to the board or the executive director; Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the duties of the department; Government Code, §2110.005, which requires state agencies establishing advisory committees to make rules stating the purpose and tasks of the committee and describing the manner in which the committee will report to the agency; and Government Code, §2110.008, which allows state agencies establishing advisory committees to designate by rule the date an advisory committee will be abolished.

**CROSS REFERENCE TO STATUTE.** Transportation Code Chapters 1001 and 1002; and Government Code Chapter 2110.

Text.

§206.101. Public Access to Advisory Committee Meetings.

(a) Posted agenda items. A person may speak before an advisory committee on any matter on a posted agenda by submitting a request, in a form and manner as prescribed by the department, prior to the matter being taken up by the advisory committee. A person speaking before an advisory committee on an agenda item will be allowed an opportunity to speak:

(1) prior to a motion by the advisory committee on the item; and

(2) for a maximum of three minutes, except as provided in subsections (d)(6) and (e) of this section.

(b) Open comment period.

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## Chapter 206 - Management

(1) At each regular advisory committee meeting, the advisory committee shall allow an open comment period, not to exceed one hour, to receive public comment on any other matter that is within the scope of the specific advisory committee under §206.94(a) of this title (relating to Motor Vehicle Industry Regulation Advisory Committee (MVIRAC)), §206.95(a) of this title (relating to Motor Carrier Regulation Advisory Committee (MCRAC)), §206.96(a) of this title (relating to Vehicle Titles and Registration Advisory Committee (VTRAC)), §206.97(a) of this title (relating to Customer Service and Protection Advisory Committee (CSPAC)), ~~or~~ §206.98(a) of this title (relating to Household Goods Rules Advisory Committee (HGRAC)), or §206.102(a) of this title (relating to Automated Vehicle Regulation Advisory Committee (AVRAC)).

(2) A person wanting to make a comment under this subsection shall complete a registration form, as provided by the department, prior to the beginning of the open comment period.

(3) Except as provided in subsections (d)(6) and (e) of this section, each person shall be allowed to speak for a maximum of three minutes for each comment in the order in which the requests to speak were received.

(c) Disability accommodation. Persons who have special communication or accommodation needs and who plan to attend a meeting, may contact the department's contact listed in the posted meeting agenda for the purpose of requests for auxiliary aids or services. Requests shall be made at least two days before a meeting. The department shall make every reasonable effort to accommodate these needs.

(d) Conduct and decorum. An advisory committee shall receive public input as authorized by this section, subject to the following guidelines:

(1) questioning of speakers shall be reserved to advisory committee members and the department's administrative staff;

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## Chapter 206 - Management

(2) organizations, associations, or groups are encouraged to present their commonly held views, and same or similar comments, through a representative member where possible;

(3) comments shall remain pertinent to the issue being discussed;

(4) a person who disrupts an advisory committee meeting shall leave the meeting room and the premises if ordered to do so by the acting advisory committee chair;

(5) time allotted to one speaker may not be reassigned to another speaker; and

(6) the time allotted for comments under this section may be increased or decreased by the acting advisory committee chair, as may be appropriate to assure opportunity for the maximum number of persons to appear.

(e) Waiver. Subject to the approval of the acting advisory committee chair, a requirement of this section may be waived in the public interest if necessary for the performance of the responsibilities of the advisory committee or the department.

§206.102. Automated Vehicle Regulation Advisory Committee (AVRAC).

(a) The AVRAC is created to make recommendations, as requested by the department and board, on topics related to the regulation of automated motor vehicles.

(b) The AVRAC shall comply with the requirements of §206.93 of this title (relating to Advisory Committee Operations and Procedures).

(c) The AVRAC shall expire on July 7, 2031.



**Board Meeting Date: 12/11/2025**  
**ACTION ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Clint Thompson, Motor Carrier Division Director  
**Agenda Item:** 8  
**Subject:** Chapter 211, Criminal History Offense and Action on License  
Amendments: Subchapter B  
New: §§211.1, 211.7, and 211.9; and Subchapter C  
Repeals: §211.1 and §211.2  
(Relating to Implementation of SB 1080, 89<sup>th</sup> Legislative Session; and Cleanup)

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#### RECOMMENDATION

Action Item. Approval to publish the rule proposal in the *Texas Register* for public comment.

#### PURPOSE AND EXECUTIVE SUMMARY

The proposed revisions would implement Senate Bill (SB) 1080, 89th Legislature, Regular Session (2025) regarding motor carriers and make conforming changes to Chapter 211 due to the proposed addition of new Subchapter C regarding motor carriers.

#### FINANCIAL IMPACT

There will be no significant fiscal implications due to the proposed revisions.

#### BACKGROUND AND DISCUSSION

The proposed revisions would implement SB 1080 for motor carriers by defining which felony offenses directly relate to the duties and responsibilities of a licensed motor carrier under Occupations Code, §53.021(b)(1)(A).

Prior to the effective date of SB 1080 on May 27, 2025, Occupations Code, §53.021(b) automatically revoked licenses by operation of law when the license holder was imprisoned for any felony. SB 1080 amended Occupations Code, §53.021(b) to narrow the law so that a license is automatically revoked upon imprisonment only for specific felonies, including offenses that directly relate to the duties and responsibilities of the licensed occupation. For purposes of Occupations Code, Chapter 53, a certificate of registration that the department issues to a motor carrier under Transportation Code, Chapter 643 is a license. Also, new Subchapter C only applies to a sole proprietor motor carrier because only an individual can be imprisoned, and the department does not have the statutory authority to apply these provisions to individuals who are associated with a license holder.

The department must define which offenses directly relate to the duties and responsibilities of a licensed motor carrier, so the department can determine which licenses are revoked by operation of law under Occupations Code, §53.021(b)(1)(A). Proposed new §211.23 would state the reasons a particular offense is considered to relate to a motor carrier license as required by Occupations Code, §53.025.

Proposed new Subchapter C only applies to a motor carrier who is imprisoned on or after May 1, 2026, because staff anticipates the proposed revisions will become effective on May 1, 2026, if the board approves the adoption of these revisions at a later board meeting.

**PROPOSAL OF REVISIONS TO**

**SUBCHAPTER B. CRIMINAL HISTORY EVALUATION GUIDELINES AND PROCEDURES**

**43 TAC §211.11**

**REPEAL**

**SUBCHAPTER A. GENERAL PROVISIONS**

**43 TAC §211.1 AND §211.2**

**NEW**

**SUBCHAPTER A. GENERAL PROVISIONS**

**43 TAC §211.1**

**SUBCHAPTER B. CRIMINAL HISTORY EVALUATION GUIDELINES AND PROCEDURES**

**43 TAC §211.7 AND §211.9**

**SUBCHAPTER C. CRIMINAL OFFENSE GUIDELINES: MOTOR CARRIERS**

**43 TAC §211.23 and §211.25**

**INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes to revise 43 Texas Administrative Code (TAC) Subchapter A, General Provisions, by repealing current §211.1 and §211.2, and proposing new §211.1. The department also proposes to amend current 43 TAC Subchapter B, Criminal History Evaluation Guidelines and Procedures, by retitling current Subchapter B, amending current §211.11, and adding new §211.7 and §211.9. In addition, the department proposes to add new Subchapter C, Criminal Offense Guidelines: Motor Carriers; §211.23 and §211.25. New §211.1 and new Subchapter C are necessary to implement Senate Bill (SB) 1080, 89<sup>th</sup> Legislature, Regular Session (2025) regarding motor carriers. The revisions to Subchapter B are necessary to make conforming changes to

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## Chapter 211 – Criminal History Offense and Action on License

Chapter 211 due to the proposed addition of new Subchapter C. The proposed repeals are also published in this issue of the *Texas Register*.

Prior to the effective date of SB 1080 on May 27, 2025, Occupations Code, §53.021(b) automatically revoked licenses by operation of law without any action by the department following the license holder's imprisonment for any felony. SB 1080 amended Occupations Code, §53.021(b) to narrow the law so that a license is automatically revoked upon imprisonment only for specific felonies, including offenses that directly relate to the duties and responsibilities of the licensed occupation.

For purposes of Occupations Code Chapter 53, a certificate of registration that the department issues to a motor carrier under Transportation Code, Chapter 643 is a license. Occupations Code, §53.001 and Government Code, §2001.003 define the word "license" as "the whole or part of a state agency permit, certificate, approval, registration, or similar form of permission required by law." The department must therefore define in rule which offenses directly relate to the duties and responsibilities of a licensed motor carrier, so that the department will be able to determine which licenses are revoked by operation of law under Occupations Code, §53.021(b)(1)(A).

**EXPLANATION.****Subchapter A. General Provisions**

The proposed repeal of §211.1 would allow the department to propose a new §211.1 that would apply to the entire Chapter 211, including new Subchapter C regarding motor carriers.

Proposed new §211.1(a) would state that the purpose of Chapter 211 is to implement Occupations Code, Chapter 53 regarding the consequences of a criminal conviction on a license that the department is authorized to issue. Proposed new §211.1(b) would incorporate laws by reference to provide the applicable definitions regarding specific offenses referenced in Chapter 211. Occupations

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## Chapter 211 – Criminal History Offense and Action on License

Code, §53.021 references “an offense that directly relates to the duties and responsibilities of the licensed occupation,” and does not limit the language to offenses under Texas law. Proposed new §211.1(b) therefore incorporates definitions from federal laws, other states’ laws, and the laws of foreign jurisdictions. Proposed new §211.1(c) would define “department” as the Texas Department of Motor Vehicles for clarity and consistency.

**Subchapter B. Criminal History Evaluation Guidelines and Procedures**

The department proposes to retitle Subchapter B to only apply to the motor vehicle, salvage vehicle, and trailer industries because the department’s proposed revisions to Chapter 211 include new Subchapter C regarding motor carriers.

The proposed repeal of current §211.1 and §211.2 would allow the department to propose modified versions of the current text of these sections as new §211.7 and §211.9 to only apply to Subchapter B, regarding the motor vehicle, salvage vehicle and trailer industries, due to the proposed new Subchapter C regarding motor carriers.

Proposed new §211.7 would modify the language in current §211.1 to apply only to Subchapter B, clarify that the referenced statutes are Texas statutes, move the definitions to subsection (a) so that they appear before the use of the defined terms in proposed new §211.7, and make the format of the definitions consistent with the department’s other administrative rules. Proposed new §211.9 would modify the language in current §211.2 to only apply to Subchapter B and clarify that the reference to the Occupations Code is a reference to the Texas Occupations Code. The text in proposed new §211.7 and §211.9 clarify that the statutory citations are to Texas law, and are necessary due to references to the laws in other jurisdictions in Chapter 211 and the proposed revisions to Chapter 211.

Proposed amendments to §211.11 would update cross-references to proposed new §211.9, update the language to only apply to Subchapter B, and clarify the statutory citations are to Texas law for

1 the reasons stated above. Proposed amendments to §211.11 would also modify the current citations to  
2 statutes for consistency with the citations to Texas law throughout Chapter 211.

### 3 **Subchapter C. Criminal Offense Guidelines: Motor Carriers**

4 Proposed new Subchapter C would implement SB 1080 for motor carriers by defining which  
5 offenses directly relate to the duties and responsibilities of motor carriers for purposes of Occupations  
6 Code, §53.021(b)(1)(A).

7 Proposed new §211.23(a) would provide the definition for the word “license” as used in proposed  
8 new Subchapter C, limiting the term to a certificate of registration issued by the department under Texas  
9 Transportation Code, Chapter 643 to a sole proprietor motor carrier. This definition prevents confusion  
10 about the application of Occupations Code, §53.021(b)(1)(A) by excluding legal entities with multiple  
11 employees or representatives, because such entities cannot be imprisoned for offenses. Only an individual  
12 can be imprisoned. Proposed new §211.23(a) would also clarify that a license authorizes a motor carrier  
13 to engage in certain operations under Transportation Code, Chapter 643. Although the department issues  
14 one type of license under Transportation Code, Chapter 643, a licensed motor carrier may engage in  
15 different types of operations, such as transporting cargo, passengers, household goods, or hazardous  
16 materials, subject to compliance with the applicable laws regarding that type of operation.

17 Occupations Code, §53.025 requires each state agency to issue guidelines that “must state the  
18 reasons a particular crime is considered to relate to a particular license.” To fulfill that requirement,  
19 proposed new §211.23(b) would state the reasons each offense referenced in proposed new §211.25 is  
20 considered to relate to the particular duties and responsibilities of a license for a motor carrier. Proposed  
21 new §211.23(b) would explain why the different offenses listed in proposed new §211.25 would relate to  
22 the different types of motor carrier operations that are authorized under a motor carrier license,  
23 depending on how the specific duties and responsibilities of each type of motor carrier operation would

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## Chapter 211 – Criminal History Offense and Action on License

1 provide a greater opportunity for an individual, who is predisposed to commit specific types of violations,  
2 to commit those offenses

3 Proposed new §211.25 would state the felony offenses that directly relate to the duties and  
4 responsibilities of a licensed motor carrier under Occupations Code, §53.021(b)(1)(A). Proposed new  
5 §211.25(a) would explain that under Occupations Code, §53.021(b)(1)(A), a license holder's license is  
6 automatically revoked by operation of law on the license holder's imprisonment after a conviction of a  
7 felony offense that directly relates to the duties and responsibilities of a license holder. Proposed new  
8 §211.25(b) would explain that the department used the factors listed in Occupations Code, §53.022 to  
9 determine that the offenses detailed in proposed new §211.25(c) through (g) directly relate to the duties  
10 and responsibilities of a license holder under Transportation Code, Chapter 643. Proposed new §211.25(b)  
11 would also clarify that the listed offenses include offenses under the laws of the United States or another  
12 state of the United States if the offense contains elements that are substantially similar to the elements  
13 of an offense under the laws of Texas, except as stated otherwise in proposed new Subchapter C.

14 While the offenses listed in proposed new §211.25(c) would apply to all licensed motor carriers,  
15 the offenses listed in proposed new §211.25(d) through (g) would apply only to specific types of motor  
16 carrier operations due to the particular opportunities to commit certain offenses under a specific type of  
17 motor carrier operation. A licensed motor carrier controls, operates, or directs the operation of one or  
18 more motor vehicles that transport persons or cargo, which enables the license holder to commit certain  
19 offenses that involve the use of a motor vehicle. Also, a licensed motor carrier provides the department  
20 with certain information and documents that the department uses to administer and enforce Texas  
21 Transportation Code, Chapter 643 and that law enforcement uses to enforce certain laws, including Texas  
22 Transportation Code, Chapter 644 and the administrative rules that the Texas Department of Public Safety  
23 adopted under Texas Transportation Code, Chapter 644. In addition, a potential customer of a motor

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## Proposed Sections and New Subchapter

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## Chapter 211 – Criminal History Offense and Action on License

1 carrier has access to certain information on the department's website to determine whether to use the  
2 services of a particular licensed motor carrier, and the licensed motor carrier must provide the  
3 department with most of this information as part of a license application and any required updates. A  
4 licensed motor carrier is in a position of trust with the department because a licensed motor carrier must  
5 provide accurate information and documents to the department, so the department's records are reliable  
6 for the department, law enforcement, and potential shippers or passengers of the motor carrier.

7       The offenses that would relate to all licensed motor carriers under proposed new §211.25(c)  
8 would include offenses that involve the smuggling of a person, the use of a motor vehicle for trafficking  
9 or smuggling persons, bribery, perjury, obstructing a road, intoxication while operating a motor vehicle,  
10 delivery of a controlled substance, fraudulent emissions inspections, and knowingly operating a  
11 commercial motor vehicle in violation of an out-of-service order if the commercial motor vehicle was  
12 involved in a motor vehicle collision that resulted in bodily injury or death of a person. Some of these  
13 offenses, like the smuggling of a person, the use of a motor vehicle for trafficking or smuggling persons,  
14 and delivery of a controlled substance address Occupations Code, §53.022(3) because being a licensed  
15 motor carrier would give an individual an opportunity to engage in that sort of criminal activity again.  
16 Other offenses listed in proposed new §211.25(c), like intoxication while operating a motor vehicle, align  
17 with Occupations Code, §53.022(4) because intoxication would inhibit a person from being able to fulfill  
18 the duties of a licensed motor carrier, including safe operation. Still other offenses—such as those  
19 involving fraudulent emissions inspections, bribery, perjury, and knowingly operating a commercial motor  
20 vehicle in violation of an out-of-service order during which the commercial motor vehicle was involved in  
21 a motor vehicle collision that resulted in bodily injury or death of a person—align with Occupations Code,  
22 §53.022(5) because they implicate the duties and responsibilities of motor carriers to comply with safety  
23 laws, to remain safe on the road, and to cooperate with, provide accurate information to, and follow the



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## Chapter 211 – Criminal History Offense and Action on License

1 orders of government officials, including law enforcement. The offenses listed in §211.25(c) are thus all  
2 equally relevant to all motor carriers, regardless of their specific type of operation.

3 Proposed new §211.25(d) would set out offenses that relate only to a passenger motor carrier  
4 due to the position of trust and close physical proximity between the motor carrier and its passengers.  
5 The offenses listed in proposed new §211.25(d) would be in addition to the offenses listed in proposed  
6 new §211.25(c). A passenger loses some of their autonomy over themselves and their tangible personal  
7 property, documents, and cargo while they are in another person's motor vehicle. If the passenger is a  
8 child, there is even more risk of a crime involving the child or the child's tangible personal property,  
9 documents, or cargo. These would include offenses that harm or endanger another person as set out in  
10 Texas Penal Code Title 5, such as criminal homicide, kidnapping, sexual offenses and assaultive offenses.  
11 They would also include offenses that endanger families or children, such as enticing a child from their  
12 parent's custody, violating court protective orders, selling or purchasing children, continuous family  
13 violence, using a minor to sell or display harmful material to a minor, employing a child to work in a  
14 sexually-oriented commercial activity, possessing child pornography, and any offense for which the  
15 person convicted must register as a sex offender. The listed offenses in proposed new §211.25(d) would  
16 also include offenses against tangible personal property, a document, or cargo belonging to another  
17 person, such as the offenses of criminal mischief, robbery, and theft. All of these offenses fit within  
18 Occupations Code, §53.022(3) in that employment as a passenger carrier would provide an increased  
19 opportunity to engage in this sort of criminal activity again.

20 Proposed new §211.25(e) would define offenses that relate only to a for-hire motor carrier of  
21 cargo, including household goods and hazardous materials, due to the motor carrier's specific position of  
22 trust with the shipper and access to the shipper's cargo. A shipper and an individual associated with the  
23 shipper may interact with the motor carrier in person, which provides an opportunity for the motor carrier

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## Chapter 211 – Criminal History Offense and Action on License

1 to commit an offense against the individual. Also, a shipper loses control over their cargo when the motor  
2 carrier has possession of the cargo. The offenses listed in proposed new §211.25(e) would be in addition  
3 to the offenses listed in proposed new §211.25(c). These offenses would include any offense for which  
4 the person must register as a sex offender, and the offenses set out in Texas Penal Code Title 5, such as  
5 criminal homicide, kidnapping, sexual offenses, and assaultive offenses. In keeping with Occupations  
6 Code, §53.022(3), a motor carrier's contact with a shipper would give the carrier an increased opportunity  
7 to engage in these offenses against the shipper and individuals associated with the shipper. The offenses  
8 listed in proposed new §211.25(e) would also include offenses against tangible personal property, a  
9 document, or cargo belonging to another person, such as the offenses of criminal mischief, robbery,  
10 burglary of a vehicle, criminal trespass, theft, and fraud. Since a motor carrier of cargo is entrusted with a  
11 shipper's cargo for transport, the motor carrier would have an increased opportunity to engage in these  
12 property crimes. In keeping with Occupations Code, §53.022(3), a motor carrier's contact with a shipper  
13 and the shipper's property would give the motor carrier an increased opportunity to engage in these  
14 offenses against the shipper.

15 Proposed new §211.25(f) would enumerate offenses that relate only to a household goods carrier  
16 because they are allowed access to the shipper's home, household goods, and household members,  
17 including children. These offenses would be in addition to the offenses listed in §211.25(c) and (e).  
18 Proposed new §211.25(f) would include offenses related to real property, including arson, criminal  
19 mischief, and burglary. Household goods carriers are not just entrusted with personal property, but they  
20 also have access to and gain knowledge of the customer's home from or to which they are moving. A  
21 household goods carrier therefore has an increased opportunity to commit these offenses by virtue of  
22 their licensed profession, in accordance with Occupations Code, §53.022(3). The offenses listed in  
23 proposed new §211.25(f) would also include using a minor to sell or display harmful material to a minor,

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1 employing a child to work in a sexually-oriented commercial activity, and possession of child pornography.  
2 These offenses align with Occupations Code, §53.022(3) because a household goods carrier has more  
3 access to children as the carrier moves household goods from one home to another for families.

4 Proposed new §211.25(g) would list offenses that relate only to a motor carrier who transports  
5 hazardous materials, which create opportunities for those motor carriers to commit offenses that  
6 endanger the public and the environment. The offenses in proposed new §211.25(g) would apply to these  
7 motor carriers in addition to the offenses listed in §211.25(c) and (e). These offenses would include any  
8 offense related to hazardous material, waste disposal, water contamination, air pollution, or other  
9 environmental offenses under Texas law, federal law, or the law of another state. For example, 49 U.S.C.  
10 §5124 provides for a criminal penalty of imprisonment for up to 10 years for a person who violates certain  
11 provisions of federal law regarding the transportation of hazardous materials. The offenses under  
12 proposed new §211.25(g) address Occupations Code, §53.022(3) because by virtue of having access to  
13 hazardous materials, a motor carrier that transports hazardous materials has an increased opportunity to  
14 engage in environmental offenses, such as improper transportation, disposal, or discharge of those  
15 materials.

16 Proposed new §211.25(h) would state that if a license holder's imprisonment occurs on or after  
17 May 1, 2026, for a conviction for any offense described by proposed new §211.25(c) through (g), the  
18 license holder's license is automatically revoked on the date of the imprisonment if at least one of the  
19 offenses that resulted in the imprisonment falls within the scope of any offense described by proposed  
20 new §211.25(c) through (g). These proposed revisions to Chapter 211 are anticipated to become effective  
21 on May 1, 2026, if the department's board approves the adoption of these proposed revisions. The  
22 department intends to apply the proposed revisions prospectively, so that only those imprisoned on or  
23 after May 1, 2026, would be automatically revoked by operation of law for an offense specified under

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## Chapter 211 – Criminal History Offense and Action on License

1 proposed new §211.25(c) through (g). Proposed new §211.25(h) would require that at least one of the  
2 offenses that resulted in the imprisonment falls within the scope of any offense described in proposed  
3 new §211.25(c) through (g) because these new subsections identify the offenses that directly relate to the  
4 duties and responsibilities of a licensed motor carrier as required by Occupations Code, §53.021(b)(1)(A).

5 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,  
6 has determined that for each year of the first five years the new sections, amendments and repeals will  
7 be in effect, there will be no significant fiscal impact to state or local governments as a result of the  
8 enforcement or administration of the proposal. Clint Thompson, Director of the Motor Carrier Division,  
9 has determined that there will be no significant impact on local employment or the local economy as a  
10 result of the proposal.

11 **PUBLIC BENEFIT AND COST NOTE.** Mr. Thompson has also determined that, for each year of the first five  
12 years the revisions are in effect, there is one anticipated public benefit.

13 Anticipated Public Benefits. The public benefit anticipated as a result of the proposal is clarity,  
14 consistency, enforceability, and predictability with regard to which offenses cause automatic revocation  
15 of a motor carrier's license by operation of law when the licensee is imprisoned for the offense.

16 Anticipated Costs To Comply With The Proposal. Mr. Thompson anticipates that there will be no  
17 costs to comply with the proposed rule revisions. The cost to persons required to comply with the proposal  
18 are due to the language in Occupations Code, §53.021(b)(1)(A) regarding the automatic revocation of a  
19 license by operation of law following imprisonment for a felony conviction for an offense that directly  
20 relates to the duties and responsibilities of the licensed occupation.

21 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by Government  
22 Code, §2006.002, the department has determined that the proposed revisions will not have an adverse  
23 economic effect on small businesses, micro-businesses, and rural communities because the proposed

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1 revisions merely specify the felony offenses that directly relate to the duties and responsibilities of a  
2 motor carrier's license under Transportation Code, Chapter 643 as required by Occupations Code,  
3 §53.021(b)(1)(A). Therefore, the department is not required to prepare a regulatory flexibility analysis  
4 under Government Code, §2006.002.

5 **TAKINGS IMPACT ASSESSMENT.** The department has determined that no private real property interests  
6 are affected by this proposal and that this proposal does not restrict or limit an owner's right to property  
7 that would otherwise exist in the absence of government action and, therefore, does not constitute a  
8 taking or require a takings impact assessment under Government Code, §2007.043.

9 **GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the  
10 first five years the proposed revisions are in effect, no government program would be created or  
11 eliminated. Implementation of the proposed revisions would not require the creation of new employee  
12 positions or elimination of existing employee positions. Implementation would not require an increase or  
13 decrease in future legislative appropriations to the department or an increase or decrease of fees paid to  
14 the department. The proposed revisions technically create a new regulation, as required by SB 1080, to  
15 define which offenses are directly related to the occupation of a licensed motor carrier. The proposed  
16 revisions do not expand, limit, or repeal an existing regulation. Lastly, the proposed revisions technically  
17 affect the number of individuals subject to the rule's applicability, because the department had previously  
18 only defined offenses related to the occupations of the motor vehicle, salvage vehicle and trailer  
19 industries, while the proposed rule revisions would add the list of felony offenses that directly relate to  
20 the duties and responsibilities of a motor carrier licensed under Transportation Code, Chapter 643.  
21 However, since motor carriers were previously subject to automatic revocation for imprisonment for any  
22 felony under Occupations Code, §53.021(b) prior to the effective date of SB 1080 on May 27, 2025, these  
23 proposed rule revisions would actually narrow the offenses for which a motor carrier will be automatically

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## Chapter 211 – Criminal History Offense and Action on License

1 revoked upon imprisonment, in keeping with SB 1080. The proposed revisions will not affect this state's  
2 economy.

3 **REQUEST FOR PUBLIC COMMENT.**

4 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on  
5 January 26, 2026. The department requests information related to the cost, benefit, or effect of the  
6 proposed revisions, including any applicable data, research, or analysis, from any person required to  
7 comply with the proposed revisions or any other interested person. A request for a public hearing must  
8 be sent separately from your written comments. Send written comments or hearing requests by email to  
9 [rules@txdmv.gov](mailto:rules@txdmv.gov) or by mail to Office of General Counsel, Texas Department of Motor Vehicles, 4000  
10 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the department will consider written comments  
11 and public testimony presented at the hearing.

**SUBCHAPTER A. GENERAL PROVISIONS****43 TAC §211.1**

**STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes the new section under Occupations Code, §2301.151, which gives the board authority to regulate the distribution, sale, and lease of motor vehicles and the authority to take any action that is necessary or convenient to exercise that authority; Occupations Code, §2301.152, which authorizes the board to establish the qualifications of license holders, ensure that the distribution, sale, and lease of motor vehicles is conducted as required by statute and board rules, to prevent fraud, unfair practices, discrimination, impositions, and other abuses in connection with the distribution and sale of motor vehicles, and to enforce and administer Occupations Code, Chapter 2301 and Transportation Code, Chapter 503; Occupations Code, §2301.155, which authorizes the board to adopt rules as necessary or convenient to administer Occupations Code, Chapter 2301 and to govern practice and procedure before the board; Occupations Code, §2301.651, which gives the board authority to deny an application for a license, to revoke or suspend a license, to place on probation, or to reprimand a license holder if the applicant or license holder is unfit, makes a material misrepresentation, violates any law relating to the sale, distribution, financing, or insuring of motor vehicles, willfully defrauds a purchaser, or fails to fulfill a written agreement with a retail purchaser of a motor vehicle; Occupations Code, §2302.051, which authorizes the board to adopt rules as necessary to administer Occupations Code, Chapter 2302; Transportation Code, §503.002, which authorizes the board to adopt rules for the administration of Transportation Code, Chapter 503; Transportation Code, §643.003, which authorizes the department to adopt rules to administer Transportation Code, Chapter 643; Transportation Code, §1002.001, which

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1 authorizes the board to adopt rules that are necessary and appropriate to implement the powers and the  
2 duties of the department; and the statutory authority referenced throughout this preamble and in the  
3 rule text, which is incorporated herein by reference.

4 **CROSS REFERENCE TO STATUTE.** The proposed new section would implement Occupations Code,  
5 Chapters 53, 2301 and 2302; and Transportation Code, Chapters 503, 643, and 1002.

6  
7 Text.

8 §211.1. Purpose and Definitions.

9 (a) The purpose of this chapter is to implement Texas Occupations Code, Chapter 53 regarding  
10 the consequences of a criminal conviction on a license that the department is authorized to issue.

11 (b) Except as stated otherwise in this chapter, the definitions contained in the following laws  
12 apply to this chapter regarding specific offenses, control in the event of a conflict with this chapter, and  
13 are incorporated by reference into this chapter:

14 (1) the Texas Code of Criminal Procedure, Texas Health and Safety Code, Texas  
15 Occupations Code, Texas Penal Code, Texas Transportation Code, other Texas statutes, and Texas  
16 administrative rules;

17 (2) the federal statutes and regulations of the United States;

18 (3) the laws of other states of the United States; and

19 (4) the laws of a foreign jurisdiction.

20 (c) When used in this chapter, the word “department” means the Texas Department of Motor  
21 Vehicles.



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1

2 **STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes the repeals  
3 under Occupations Code, §2301.151, which gives the board authority to regulate the distribution, sale,  
4 and lease of motor vehicles and the authority to take any action that is necessary or convenient to exercise  
5 that authority; Occupations Code, §2301.152, which authorizes the board to establish the qualifications  
6 of license holders, ensure that the distribution, sale, and lease of motor vehicles is conducted as required  
7 by statute and board rules, to prevent fraud, unfair practices, discrimination, impositions, and other  
8 abuses in connection with the distribution and sale of motor vehicles, and to enforce and administer  
9 Occupations Code, Chapter 2301 and Transportation Code, Chapter 503; Occupations Code, §2301.155,  
10 which authorizes the board to adopt rules as necessary or convenient to administer Occupations Code,  
11 Chapter 2301 and to govern practice and procedure before the board; Occupations Code, §2301.651,  
12 which gives the board authority to deny an application for a license, to revoke or suspend a license, to  
13 place on probation, or to reprimand a license holder if the applicant or license holder is unfit, makes a  
14 material misrepresentation, violates any law relating to the sale, distribution, financing, or insuring of  
15 motor vehicles, willfully defrauds a purchaser, or fails to fulfill a written agreement with a retail purchaser  
16 of a motor vehicle; Occupations Code, §2302.051, which authorizes the board to adopt rules as necessary  
17 to administer Occupations Code, Chapter 2302; Transportation Code, §503.002, which authorizes the  
18 board to adopt rules for the administration of Transportation Code, Chapter 503; Transportation Code,  
19 §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement  
20 the powers and the duties of the department; and the statutory authority referenced throughout this  
21 preamble and in the rule text, which is incorporated herein by reference.

22 **CROSS REFERENCE TO STATUTE.** The proposed repeals would implement Occupations Code, Chapters 53,  
23 2301 and 2302; and Transportation Code, Chapters 503 and 1002.

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## Chapter 211 – Criminal History Offense and Action on License

1

2 Text.

3 [~~§211.1. Purpose and Definitions.~~]

4 [~~(a) The licenses issued by the department create positions of trust. License holder services~~  
5 ~~involve access to confidential information; conveyance, titling, and registration of private property;~~  
6 ~~possession of monies belonging to or owed to private individuals, creditors, and governmental entities;~~  
7 ~~and compliance with federal and state environmental and safety regulations. License holders are~~  
8 ~~provided with opportunities to engage in fraud, theft, money laundering, and related crimes, and to~~  
9 ~~endanger the public through violations of environmental and safety regulations. Many license holders~~  
10 ~~provide services directly to the public, so licensure provides persons predisposed to commit assaultive~~  
11 ~~or sexual crimes with greater opportunities to engage in such conduct. To protect the public from these~~  
12 ~~harms, the department shall review the criminal history of license applicants before issuing a new or~~  
13 ~~renewal license and may take action on a license holder who commits an offense during the license~~  
14 ~~period based on the guidelines in this chapter.~~]

15 [~~(b) When used in this chapter, the following words and terms have the following meanings,~~  
16 ~~unless the context clearly indicates otherwise.~~]

17 [~~(1) "Department" means the Texas Department of Motor Vehicles.~~]

18 [~~(2) "License" means any license issued by the department under:~~]

19 [~~(A) Transportation Code, Chapter 503;~~]

20 [~~(B) Occupations Code, Chapter 2301; or~~]

21 [~~(C) Occupations Code, Chapter 2302.~~]

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## Chapter 211 – Criminal History Offense and Action on License

~~[(3) "Retail license types" means those license types which require holders to interact directly with the public, but does not include other license types that do not generally interact directly with the public, including manufacturers, distributors, and general distinguishing number holders for the following vehicle categories: ambulance, axle, bus, engine, fire truck/fire fighting vehicle, heavy duty truck, transmission, wholesale motor vehicle dealer, and wholesale motor vehicle auction.]~~

~~[§211.2. Application of Chapter.]~~

~~[(a) This chapter applies to the following persons:]~~

~~[(1) applicants and holders of any license; and]~~

~~[(2) persons who are acting at the time of application, or will later act, in a representative capacity for an applicant or holder of a license, including the applicant's or holder's officers, directors, members, managers, trustees, partners, principals, or managers of business affairs.]~~

~~[(b) In this chapter a "conviction" includes a deferred adjudication that is considered to be a conviction under Occupations Code, §53.021(d).]~~

**SUBCHAPTER B. CRIMINAL HISTORY EVALUATION GUIDELINES AND PROCEDURES: MOTOR**

**VEHICLE, SALVAGE VEHICLE, AND TRAILER INDUSTRIES**

**43 TAC §§211.7, 211.9, and 211.11**

**STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes the revisions under Occupations Code, §2301.151, which gives the board authority to regulate the distribution, sale,

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## Chapter 211 – Criminal History Offense and Action on License

1 and lease of motor vehicles and the authority to take any action that is necessary or convenient to exercise  
2 that authority; Occupations Code, §2301.152, which authorizes the board to establish the qualifications  
3 of license holders, ensure that the distribution, sale, and lease of motor vehicles is conducted as required  
4 by statute and board rules, to prevent fraud, unfair practices, discrimination, impositions, and other  
5 abuses in connection with the distribution and sale of motor vehicles, and to enforce and administer  
6 Occupations Code, Chapter 2301 and Transportation Code, Chapter 503; Occupations Code, §2301.155,  
7 which authorizes the board to adopt rules as necessary or convenient to administer Occupations Code,  
8 Chapter 2301 and to govern practice and procedure before the board; Occupations Code, §2301.651,  
9 which gives the board authority to deny an application for a license, to revoke or suspend a license, to  
10 place on probation, or to reprimand a license holder if the applicant or license holder is unfit, makes a  
11 material misrepresentation, violates any law relating to the sale, distribution, financing, or insuring of  
12 motor vehicles, willfully defrauds a purchaser, or fails to fulfill a written agreement with a retail purchaser  
13 of a motor vehicle; Occupations Code, §2302.051, which authorizes the board to adopt rules as necessary  
14 to administer Occupations Code, Chapter 2302; Transportation Code, §503.002, which authorizes the  
15 board to adopt rules for the administration of Transportation Code, Chapter 503; Transportation Code,  
16 §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement  
17 the powers and the duties of the department; and the statutory authority referenced throughout this  
18 preamble and in the rule text, which is incorporated herein by reference.

19 **CROSS REFERENCE TO STATUTE.** The proposed revisions would implement Occupations Code, Chapters  
20 53, 2301 and 2302; and Transportation Code, Chapters 503 and 1002.

21  
22 Text.

23 §211.7. Definitions and Purpose.

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## Chapter 211 – Criminal History Offense and Action on License

1           (a) When used in this subchapter, the following words and terms have the following meanings,  
2           unless the context clearly indicates otherwise.

3                       (1) License--Any license issued by the department under:

4                               (A) Texas Transportation Code, Chapter 503;

5                               (B) Texas Occupations Code, Chapter 2301; or

6                               (C) Texas Occupations Code, Chapter 2302.

7           (2) Retail license types--Those license types which require holders to interact directly with the  
8           public, but does not include other license types that do not generally interact directly with the public,  
9           including manufacturers, distributors, and general distinguishing number holders for the following  
10           vehicle categories: ambulance, axle, bus, engine, fire truck/fire fighting vehicle, heavy duty truck,  
11           transmission, wholesale motor vehicle dealer, and wholesale motor vehicle auction.

12           (b) The licenses issued by the department create positions of trust. License holder services  
13           involve access to confidential information; conveyance, titling, and registration of private property;  
14           possession of monies belonging to or owed to private individuals, creditors, and governmental entities;  
15           and compliance with federal and state environmental and safety regulations. License holders are  
16           provided with opportunities to engage in fraud, theft, money laundering, and related crimes, and to  
17           endanger the public through violations of environmental and safety regulations. Many license holders  
18           provide services directly to the public, so licensure provides persons predisposed to commit assaultive  
19           or sexual crimes with greater opportunities to engage in such conduct. To protect the public from these  
20           harms, the department shall review the criminal history of license applicants before issuing a new or

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1 renewal license and may take action on a license holder who commits an offense during the license  
2 period based on the guidelines in this subchapter.

3  
4 §211.9. Application of Subchapter B.

5 (a) This subchapter applies to the following persons:

6 (1) applicants and holders of a license; and

7 (2) persons who are acting at the time of application, or will later act, in a representative  
8 capacity for an applicant or holder of a license, including the applicant's or holder's officers, directors,  
9 members, managers, trustees, partners, principals, or managers of business affairs.

10 (b) In this subchapter a "conviction" includes a deferred adjudication that is considered to be a  
11 conviction under Texas Occupations Code, §53.021(d).

12  
13 §211.11. Imprisonment.

14 (a) The department shall deny a license application if the applicant or a person described by  
15 §211.9(a)(2) [~~§211.2(a)(2)~~] of this title [~~chapter~~] (relating to Application of Subchapter B [~~Chapter~~]) is  
16 imprisoned while a new or renewal license application is pending.

17 (b) The department shall revoke a license upon the imprisonment of a license holder following a:

18 (1) felony conviction for:

19 (A) an offense that directly relates to the duties and responsibilities of the  
20 licensed occupation;

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(B) an offense listed in ~~[Article 42A.054,]~~ Texas Code of Criminal Procedure,  
Article 42A.054; or

(C) a sexually violent offense, as defined by ~~[Article 62.001,]~~ Texas Code of  
Criminal Procedure, Article 62.001;

(2) felony community supervision revocation;

(3) revocation of parole; or

(4) revocation of mandatory supervision.

(c) A person currently imprisoned because of a felony conviction may not obtain a license,  
renew a previously issued license, or act in a representative capacity for an application or license holder  
as described by §211.9(a)(2) of this title. ~~[§211.2(a)(2).]~~

(d) The department may revoke a license upon the imprisonment for a felony conviction, felony  
community supervision revocation, revocation of parole, or revocation of mandatory supervision of a  
person described by §211.9(a)(2) ~~[§211.2(a)(2)]~~ of this title ~~[chapter]~~ who remains employed with the  
license holder.

**SUBCHAPTER C. CRIMINAL OFFENSE GUIDELINES: MOTOR CARRIERS**

43 TAC §211.23 and §211.25

**STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes new  
Subchapter C under Transportation Code, §643.003, which authorizes the department to adopt rules to  
administer Transportation Code, Chapter 643; Transportation Code, §1002.001, which authorizes the

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board to adopt rules that are necessary and appropriate to implement the powers and duties of the department under the Transportation Code and other laws of this state; and the statutory authority referenced throughout this preamble and in the rule text, which is incorporated herein by reference.

**CROSS REFERENCE TO STATUTE.** The proposed new subchapter would implement Occupations Code, §53.021(b)(1)(A) and Transportation Code, Chapter 643.

Text.

§211.23. Definition and Criminal Offense Guidelines.

(a) When used in this subchapter, the word “license” means a certificate of registration issued by the department under Texas Transportation Code, Chapter 643 to a sole proprietor motor carrier. A license authorizes a motor carrier to engage in certain operations under Transportation Code, Chapter 643.

(b) The particular offenses referenced in §211.25 of this title (relating to Criminal Offense Guidelines; Imprisonment) relate to the duties and responsibilities of a license holder under Texas Transportation Code, Chapter 643 because an individual who is predisposed to commit violations of certain laws may have a greater opportunity to commit such offenses with a license, in addition to the following reasons regarding particular types of motor carrier operations under Texas Transportation Code, Chapter 643:

(1) For the felony offenses referenced in §211.25(c) of this title, a licensed motor carrier controls, operates, or directs the operation of one or more motor vehicles that transport persons or cargo, which enables the license holder to commit certain offenses that involve the use of a motor vehicle. Also, a licensed motor carrier provides the department with certain information and documents that the department uses to administer and enforce Texas Transportation Code, Chapter 643 and that



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1 law enforcement uses to enforce certain laws, including Texas Transportation Code, Chapter 644 and  
2 the administrative rules that the Texas Department of Public Safety adopted under Texas Transportation  
3 Code, Chapter 644. In addition, a potential customer of a motor carrier has access to certain information  
4 on the department's website to determine whether to use the services of a particular licensed motor  
5 carrier, and the licensed motor carrier must provide the department with most of this information as  
6 part of a license application and any required updates. A licensed motor carrier is in a position of trust  
7 with the department because a licensed motor carrier must provide accurate information and  
8 documents to the department, so the department's records are reliable for the department, law  
9 enforcement, and potential shippers or passengers of the motor carrier.

10 (2) For the offenses referenced in §211.25(d) of this title regarding a motor carrier of  
11 passengers, a license creates a position of trust between the motor carrier and their passengers.  
12 Passengers lose some of their autonomy over themselves and their tangible personal property,  
13 documents, and cargo while they are in another person's motor vehicle. If the passenger is a child, there  
14 is even more risk of a crime involving the child or the child's tangible personal property, documents, or  
15 cargo.

16 (3) For the offenses referenced in §211.25(e) of this title regarding a for-hire motor  
17 carrier of any cargo (including any tangible personal property or a document), a license creates a  
18 position of trust between the motor carrier and its shipper. A shipper and an individual associated with  
19 the shipper may interact with the motor carrier in person, which provides an opportunity for the motor  
20 carrier to commit an offense against the individual. Also, a shipper loses control over their cargo when  
21 the motor carrier has possession of the cargo. In addition, the motor carrier likely has access to  
22 information regarding the location and description of the shipper's cargo at least a day before the

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1 contractual deadline for loading the cargo for transport, which may provide an opportunity for the  
2 motor carrier to commit offenses regarding a shipper's cargo.

3 (4) For the offenses referenced in §211.25(f) of this title regarding a household goods  
4 carrier, a license creates a position of trust between the motor carrier and its shipper and potentially  
5 provides the household goods carrier with access to the shipper's home, the shipper, and other  
6 individuals located in or around the shipper's home, including children.

7 (5) For the offenses referenced in §211.25(g) of this title regarding a motor carrier who  
8 transports hazardous materials, a license provide such motor carriers with access to hazardous  
9 materials, which are potentially dangerous to the public and the environment if the motor carrier does  
10 not comply with the applicable laws.

11  
12 §211.25 Criminal Offense Guidelines; Imprisonment.

13 (a) Under Texas Occupations Code, §53.021(b)(1)(A), a license holder's license is automatically  
14 revoked by operation of law on the license holder's imprisonment after a felony conviction for an  
15 offense that directly relates to the duties and responsibilities of the licensed occupation.

16 (b) The department has determined, under the factors listed in Texas Occupations Code,  
17 §53.022, that the offenses detailed in subsections (c) through (g) of this section directly relate to the  
18 duties and responsibilities of license holders under Texas Occupations Code, §53.021(b)(1)(A). Such  
19 offenses include offenses under the laws of the United States or another state of the United States if the  
20 offense contains elements that are substantially similar to the elements of an offense under the laws of  
21 this state, except as otherwise stated in this subchapter.

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1           (c) The following offenses apply to a license:

2                   (1) an offense involving the smuggling of a person, as described by Texas Penal Code,

3           Chapter 20;

4                   (2) an offense involving the use or intended use of a motor vehicle, as described by

5           Texas Penal Code, §20.07;

6                   (3) an offense against public administration, as described by Texas Penal Code, Chapters

7           36 or 37; or Texas Penal Code, §42.03;

8                   (4) an offense involving intoxication while operating a motor vehicle, as described by

9           Texas Penal Code, Chapter 49;

10                  (5) an offense involving the delivery or intent to deliver a controlled substance,

11           simulated controlled substance, or dangerous drug, as described by Texas Health and Safety Code,

12           Chapter 481, 482, or 483;

13                  (6) an offense as described by Texas Transportation Code, §548.6035 or §644.151; and

14                  (7) an offense of attempting or conspiring to commit any of the foregoing offenses.

15           (d) The following additional felony offenses apply to a motor carrier of passengers:

16                  (1) an offense against the person, as described by Texas Penal Code, Title 5;

17                  (2) an offense against the family, as described by Texas Penal Code, §§25.04, 25.07,

18           25.072, 25.08, or 25.11;

19                  (3) an offense against tangible personal property, a document, or cargo belonging to

20           another, as described by Texas Penal Code, Chapters 28, 29, or 31;

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1                   (4) an offense against public order and decency, as described by Texas Penal Code

2   §§43.24, 43.251, or 43.262;

3                   (5) a reportable offense conviction under Texas Code of Criminal Procedure, Chapter 62

4   for which the person must register as a sex offender; and

5                   (6) an offense of attempting or conspiring to commit any of the foregoing offenses.

6           (e) The following additional felony offenses apply to a for-hire motor carrier of any cargo,

7   including household goods and hazardous materials:

8                   (1) an offense against the person, as described by Texas Penal Code, Title 5;

9                   (2) an offense against tangible personal property, a document, or cargo belonging to

10   another, as described by Texas Penal Code, Chapters 28, 29, 30, 31, or 32;

11                   (3) a reportable offense conviction under Texas Code of Criminal Procedure, Chapter 62

12   for which the person must register as a sex offender; and

13                   (4) an offense of attempting or conspiring to commit any of the foregoing offenses.

14           (f) The following additional felony offenses apply to a household goods carrier:

15                   (1) an offense against real property belonging to another, as described by Texas Penal

16   Code, Chapters 28 or 30;

17                   (2) an offense against public order and decency, as described by Texas Penal Code

18   §§43.24, 43.251, or 43.262; and

19                   (3) an offense of attempting or conspiring to commit any of the foregoing offenses.

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1           (g) The following additional felony offenses apply to a motor carrier who transports hazardous  
2 materials:

3                   (1) an offense related to hazardous material, waste disposal, water contamination, air  
4 pollution, or other environmental offense under a Texas statute or administrative rule;

5                   (2) a federal statute or regulation of the United States related to hazardous material,  
6 waste disposal, water contamination, air pollution, or other environmental offense; or

7                   (3) the laws of another state of the United States related to hazardous material, waste  
8 disposal, water contamination, air pollution, or other environmental offense, if the offense contains  
9 elements that are substantially similar to the elements of an offense under Texas law or a law of the  
10 United States.

11           (h) If a license holder's imprisonment occurs on or after May 1, 2026, for a conviction for any  
12 offense described by subsections (c) through (g) of this section, the license holder's license is  
13 automatically revoked on the date of the imprisonment if at least one of the offenses that resulted in  
14 the imprisonment falls within the scope of any offense described in subsections (c) through (g) of this  
15 section.

**Board Meeting Date: 12/11/2025**  
**ACTION ITEM**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Clint Thompson, Motor Carrier Division Director  
**Agenda Item:** 9  
**Subject:** Chapter 218, Motor Carriers  
Amendments: §218.2 and §218.13  
(Relating to Cleanup)

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#### RECOMMENDATION

Action Item. Approval to publish the rule proposal in the *Texas Register* for public comment.

#### PURPOSE AND EXECUTIVE SUMMARY

The proposed amendments would clean up the rule text and require motor carriers to provide the department with certain information.

#### FINANCIAL IMPACT

There will be no significant fiscal implications due to the proposed amendments.

#### BACKGROUND AND DISCUSSION

The proposed amendments primarily require a sole proprietor motor carrier to provide notice and information to the department when the motor carrier is imprisoned after an event described by Occupations Code, §53.021(b) as amended by Senate Bill 1080, 89th Legislature, Regular Session (2025). These amendments are necessary to provide the department with information, so the department can timely update its records regarding the automatic revocation of a motor carrier's certificate of registration under Occupations Code, §53.021(b). The department, law enforcement, and potential customers of a motor carrier rely on the department's records.

The proposed amendments are also necessary to do the following:

1. add a definition for the term "for-hire motor carrier";
2. clarify the rule text regarding motor carriers that are required to provide updates to the department; and
3. clarify the rule text regarding the use of an authorized representative to file an application or provide any required information and updates to the department.

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## Chapter 218 – Motor Carriers

**PROPOSAL OF REVISIONS TO****SUBCHAPTER A. GENERAL PROVISIONS****43 TAC §218.2****SUBCHAPTER B. MOTOR CARRIER REGISTRATION****43 TAC §218.13**

**INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes amendments to 43 Texas Administrative Code (TAC) Chapter 218, Motor Carriers; Subchapter A, General Provisions, §218.2; and Subchapter B, Motor Carrier Registration, §218.13 regarding clarifications to the rule text and the requirement for a sole proprietor motor carrier to provide notice to the department when the sole proprietor is imprisoned after an event described by Occupations Code, §53.021(b) as amended by Senate Bill (SB) 1080, 89<sup>th</sup> Legislature, Regular Session (2025). The proposed amendments are necessary to provide the department with information to update its records regarding the automatic revocation of a motor carrier's certificate of registration under Occupations Code, §53.021(b). A proposed amendment to §218.2 is necessary to add a definition for the term "for-hire motor carrier." Proposed amendments to §218.13 are also necessary to clarify the rule text regarding motor carriers that are required to provide updates to the department and the use of an authorized representative to file an application with the department or provide the department with any required information and updates.

**EXPLANATION.**

A proposed amendment to §218.2 would add a definition for the term "for-hire motor carrier" for clarity and consistency because the term is included in current §218.2(b)(14) in the definition for "farm vehicle" and in proposed new §218.13(k). Proposed amendments to §218.2 would also renumber the definitions due to the proposed new definition for the term "for-hire motor carrier."

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1 A proposed amendment to §218.13(a)(3)(A) would delete a sentence that says, “An authorized  
2 representative of the applicant who files an application with the department on behalf of an applicant  
3 may be required to provide written proof of authority to act on behalf of the applicant.” The deletion is  
4 necessary to prevent any conflict with proposed new language in §218.13(j) and (l). As stated below,  
5 proposed new §218.13(l) would expand this language for all applicants under Chapter 218 and for a motor  
6 carrier with a certificate of registration. A person who submits an application on behalf of a motor carrier  
7 might not be the only authorized representative or the current authorized representative for the motor  
8 carrier.

9 Proposed amendments to §218.13(i) would clarify that the requirement for a motor carrier to  
10 update certain information in the department’s online system only applies if the motor carrier has a  
11 certificate of registration that has not expired and has not been revoked.

12 Proposed new §218.13(j) would require a sole proprietor motor carrier with an unexpired  
13 certificate of registration to notify the department, through the sole proprietor’s authorized  
14 representative, of the sole proprietor’s imprisonment for a reason that would cause automatic revocation  
15 of the motor carrier’s certificate of registration by operation of law under Occupations Code, §53.021(b).  
16 This reporting is necessary as a means for the department to learn about a motor carrier’s imprisonment  
17 because this information is not automatically reported to the department by state or federal law  
18 enforcement agencies. The department has access to criminal history record information regarding  
19 convictions under Texas law under Government Code, §411.122(d)(24), but the department is not notified  
20 when a motor carrier is imprisoned due to a conviction under Texas law. Also, the department does not  
21 receive notice regarding convictions under federal law or the law of a U.S. state other than Texas because  
22 the department does not have access to criminal history record information that is maintained or indexed



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1 through the Federal Bureau of Investigation under Government Code, §411.12511 regarding a conviction  
2 of a motor carrier under Transportation Code, Chapter 643.

3 Proposed new §218.13(j)(1)(A) would refer to proposed new 43 TAC §211.25 of this title (relating  
4 to Criminal Offense Guidelines; Imprisonment), which the department published in this issue of the *Texas*  
5 *Register*, because proposed new 43 TAC §211.25 defines the offenses that the department has  
6 determined are directly related to the duties and responsibilities of a motor carrier with a certificate of  
7 registration under Transportation Code, Chapter 643.

8 Proposed new §218.13(k) would provide the deadline for the notice under proposed new  
9 §218.13(j), so the department can timely update its records, which the department, law enforcement,  
10 and potential customers of a motor carrier rely on. Under proposed new §218.13(k), the deadline for the  
11 notice under proposed new §218.13(j) would be within 15 days of the date the sole proprietor is  
12 imprisoned if the imprisonment occurs on or after May 1, 2026. The proposed deadline would only apply  
13 to an imprisonment that occurs on or after May 1, 2026, because the proposed amendments to §218.13  
14 and proposed new §211.25 are anticipated to become effective on May 1, 2026, if the department's board  
15 approves the adoption of these proposed revisions.

16 Proposed new §218.13(k) would also require the notice under proposed new §218.13(j) to be sent  
17 to the department using the email address listed on the department's website for this purpose because  
18 the department's system is not currently programmed to allow such notices to be provided within the  
19 department's system. In addition, proposed new §218.13(k) would require the notice to the department  
20 under proposed new §218.13(j) to contain the sole proprietor's name; the sole proprietor's certificate of  
21 registration number under Transportation Code, Chapter 643; the date the sole proprietor was  
22 imprisoned; the reason the sole proprietor was imprisoned using one of the reasons listed in proposed  
23 new §218.13(j); the citation to the statute, administrative rule, or regulation regarding the felony offense

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1 for which the sole proprietor was imprisoned if the sole proprietor was imprisoned for a felony offense  
2 that falls under proposed new §218.13(j)(1); whether the sole proprietor is a motor carrier of passengers,  
3 a for-hire motor carrier of cargo, a household goods carrier, or a motor carrier who transports hazardous  
4 materials under Transportation Code, Chapter 643; and the name and phone number of the sole  
5 proprietor's authorized representative. The references to Transportation Code, Chapter 643 indicate that  
6 the sole proprietor shall provide the requested information regarding the sole proprietor's certificate of  
7 registration regarding intrastate operating authority. Proposed new §218.13(k) would require the notice  
8 to include the specified pieces of information so the department can verify whether the sole proprietor  
9 motor carrier's certificate of registration was automatically revoked by operation of law under  
10 Occupations Code, §53.021(b), including whether a felony conviction directly relates to the duties and  
11 responsibilities of the motor carrier under proposed new §211.25, and to allow the department to contact  
12 the motor carrier through their authorized representative while the motor carrier is imprisoned.

13 Proposed new §218.13(j) and (k) only apply to a sole proprietor motor carrier because only an  
14 individual can be imprisoned. Also, the department does not have the statutory authority to apply these  
15 amendments to individuals who are associated with a license holder. If the motor carrier is a sole  
16 proprietor, the sole proprietor has the license under Transportation Code, Chapter 643. The statutory  
17 authority for the automatic revocation of a license under Occupations Code, §53.021(b) only applies to  
18 the license holder.

19 Proposed new §218.13(l) would expand the language in current §218.13(a)(3)(A) by expressly  
20 authorizing an applicant under Chapter 218 and a motor carrier with a certificate of registration to submit  
21 an application to the department or provide the department with any required information or updates  
22 through an authorized representative. Proposed new §218.13(l) would also state that, upon request by  
23 the department, any representative of an applicant or motor carrier shall provide the department with

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1 written proof of authority to act on behalf of the applicant or motor carrier. Proposed new §218.13(l)  
2 addresses the reality that authorized representatives are sometimes necessary to run a business, and  
3 would allow motor carriers to fulfill their duties to provide notice to the department even when their  
4 communication was limited because they were imprisoned. In addition, proposed new §218.13(l) clarifies  
5 the department's authority to verify that an individual is authorized to act on behalf of an applicant or  
6 motor carrier, so the department can ensure the integrity of its records.

7       The proposed amendments are necessary for the department to maintain accurate records for  
8 the department's administration of Transportation Code, Chapter 643 and for law enforcement to enforce  
9 certain laws regarding motor carriers, including Transportation Code, Chapter 644 and the administrative  
10 rules that the Texas Department of Public Safety adopted under Transportation Code, Chapter 644. In  
11 addition, a potential customer of a motor carrier has access to certain information on the department's  
12 website to help the potential customer decide whether to use the services of the motor carrier. These  
13 proposed amendments require sole proprietor motor carriers to provide the department with the  
14 necessary information to enable the department to verify whether the sole proprietor's certificate of  
15 registration under Transportation Code, Chapter 643 was automatically revoked by operation of law  
16 under Occupations Code, §53.021(b), and the date of the automatic revocation. Proposed new §218.13(k)  
17 would require a sole proprietor to tell the department whether the sole proprietor is a motor carrier of  
18 passengers, a for-hire motor carrier of cargo, a household goods carrier, or a motor carrier who transports  
19 hazardous materials because certain felony offenses under proposed new §211.25 would only apply to a  
20 motor carrier based on the motor carrier's type of operation. The department would use the information  
21 that a sole proprietor provides to the department under proposed new §218.13(j) and (k) to update the  
22 department's system to indicate whether the sole proprietor's certificate of registration was revoked, the  
23 date of the revocation, and that the revocation occurred under Occupations Code, §53.021(b).

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1 Transportation Code, §643.054(a-1) authorizes the department to deny a certificate of registration if the  
2 applicant had a registration revoked under Transportation Code, §643.252, so the department's records  
3 need to indicate whether a revocation occurred under authority other than Transportation Code,  
4 §643.252.

5 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,  
6 has determined that for each year of the first five years the amendments will be in effect, there will be no  
7 significant fiscal impact to state or local governments as a result of the enforcement or administration of  
8 the proposal. Clint Thompson, Director of the Motor Carrier Division, has determined that there will be  
9 no significant impact on local employment or the local economy as a result of the proposal.

10 **PUBLIC BENEFIT AND COST NOTE.** Mr. Thompson has also determined that, for each year of the first five  
11 years the amended sections are in effect, there is an anticipated public benefit.

12 Anticipated Public Benefits. A public benefit anticipated as a result of the proposal is that the  
13 department would have the information it needs to maintain accurate records and provide accurate  
14 public information regarding the automatic revocation of a sole proprietor's certificate of registration  
15 under Occupations Code, §53.021(b).

16 Anticipated Costs To Comply With The Proposal. Mr. Thompson anticipates that there will be no  
17 costs to comply with these amendments.

18 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** As required by Government  
19 Code, §2006.002, the department has determined that the proposed amendments will not have an  
20 adverse economic effect on small businesses, micro-businesses, and rural communities because the  
21 amendments require a sole proprietor motor carrier to provide the department with certain minimal  
22 information that is only required if the motor carrier is imprisoned due to a reason listed in Occupations

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Code, §53.021(b). Therefore, the department is not required to prepare a regulatory flexibility analysis under Government Code, §2006.002.

**TAKINGS IMPACT ASSESSMENT.** The department has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking or require a takings impact assessment under Government Code, §2007.043.

**GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the first five years the proposed amendments are in effect, no government program would be created or eliminated. Implementation of the proposed amendments would not require the creation of new employee positions or elimination of existing employee positions. Implementation would not require an increase or decrease in future legislative appropriations to the department or an increase or decrease of fees paid to the department. The proposed amendments create a new regulation. The proposed amendments expand an existing regulation regarding the use of an authorized representative, as stated above. The proposed amendments do not limit or repeal an existing regulation. Lastly, the proposed amendments do not affect the number of individuals subject to the rule's applicability and will not affect this state's economy.

**REQUEST FOR PUBLIC COMMENT.**

If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on January 26, 2026. The department requests information related to the cost, benefit, or effect of the proposed amendments, including any applicable data, research, or analysis, from any person required to comply with the proposed amendments or any other interested person. A request for a public hearing must be sent separately from your written comments. Send written comments or hearing requests by email to [rules@txdmv.gov](mailto:rules@txdmv.gov) or by mail to Office of General Counsel, Texas Department of Motor Vehicles, 4000

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- 1 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the department will consider written comments
- 2 and public testimony presented at the hearing.

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**SUBCHAPTER A. GENERAL PROVISIONS****43 TAC §218.2**

**STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes amendments under Transportation Code, §643.003, which authorizes the department to adopt rules to administer Transportation Code, Chapter 643; Transportation Code, §1002.001, which authorizes the board to adopt rules that are necessary and appropriate to implement the powers and duties of the department under the Transportation Code and other laws of this state; and the statutory authority referenced throughout this preamble and in the rule text, which is incorporated herein by reference.

**CROSS REFERENCE.** The proposed amendments would implement Transportation Code, Chapter 643.

Text.

§218.2. Definitions.

(a) The definitions contained in Transportation Code, Chapter 643 apply to this chapter. In the event of a conflict with this chapter, the definitions contained in Transportation Code, Chapter 643 control; however, the definition of the word "director" in this section controls over the definition in Transportation Code, Chapter 643.

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

(1) Advertisement--An oral, written, graphic, or pictorial statement or representation made in the course of soliciting intrastate household goods transportation services, including, without limitation, a statement or representation made in a newspaper, magazine, or other publication, or contained in a notice, sign, poster, display, circular, pamphlet, or letter, or on radio, the Internet, or via an online service, or on television. The term does not include direct communication between a

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1 household goods carrier or carrier's representative and a prospective shipper, and does not include the  
2 following:

3 (A) promotional items of nominal value such as ball caps, tee shirts, and pens;

4 (B) business cards;

5 (C) listings not paid for by the household goods carrier or its household goods  
6 carrier's agent; and

7 (D) listings of a household goods carrier's business name or assumed name as it  
8 appears on the motor carrier certificate of registration, and the household goods carrier's address, and  
9 contact information in a directory or similar publication.

10 (2) Approved association--A group of household goods carriers, its agents, or both, that  
11 has an approved collective ratemaking agreement on file with the department under §218.64 of this  
12 title (relating to Rates).

13 (3) Binding proposal--A written offer stating the exact price for the transportation of  
14 specified household goods and any related services.

15 (4) Board--Board of the Texas Department of Motor Vehicles.

16 (5) Certificate of insurance--A certificate prescribed by and filed with the department in  
17 which an insurance carrier or surety company warrants that a motor carrier for whom the certificate is  
18 filed has the minimum coverage as required by §218.16 of this title (relating to Insurance  
19 Requirements).

20 (6) Certificate of registration--A certificate issued by the department to a motor carrier  
21 and containing a unique number.

22 (7) Certified scale--Any scale designed for weighing motor vehicles, including trailers or  
23 semitrailers not attached to a tractor, and certified by an authorized scale inspection and licensing



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1 authority. A certified scale may also be a platform-type or warehouse-type scale properly inspected and  
2 certified.

3 (8) Commercial motor vehicle--As defined in Transportation Code, §548.001. The  
4 definition for commercial motor vehicle does not include:

5 (A) a farm vehicle with a gross weight, registered weight, or gross weight rating  
6 of less than 48,000 pounds;

7 (B) a cotton vehicle registered under Transportation Code, §504.505;

8 (C) a vehicle registered with the Railroad Commission under Natural Resources  
9 Code, §113.131 and §116.072;

10 (D) a vehicle operated by a governmental entity;

11 (E) a motor vehicle exempt from registration by the Unified Carrier Registration  
12 Act of 2005; and

13 (F) a tow truck, as defined by Occupations Code, §2308.002.

14 (9) Conspicuous--Written in a size, color, and contrast so as to be readily noticed and  
15 understood.

16 (10) Conversion--A change in an entity's organization that is implemented with a  
17 Certificate of Conversion issued by the Texas Secretary of State under Business Organizations Code,  
18 §10.154.

19 (11) Director--The director of the department's Motor Carrier Division, whom the  
20 executive director of the department designated as the director under Transportation Code,  
21 §643.001(2).

22 (12) Estimate--An informal oral calculation of the approximate price of transporting  
23 household goods.

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(13) Farmer--A person who operates a farm or is directly involved in cultivating land, crops, or livestock that are owned by or are under the direct control of that person.

(14) Farm vehicle--A commercial motor vehicle that is:

(A) controlled and operated by a farmer to transport either:

(i) agricultural products; or

(ii) farm machinery, farm supplies, or both, to and from a farm;

(B) not being used in the operation of a for-hire motor carrier;

(C) not carrying hazardous materials of a type or quantity that requires the commercial motor vehicle to be placarded in accordance with 49 C.F.R. §177.823; and

(D) being used within 150 air-miles of the farmer's farm.

(15) FMCSA--Federal Motor Carrier Safety Administration.

(16) For-hire motor carrier--A motor carrier that provides transportation of persons or cargo for compensation in one or more motor vehicles.

(17) [(16)] Foreign commercial motor vehicle--As defined in Transportation Code, §648.001.

(18) [(17)] Gross weight rating--The maximum loaded weight of any combination of truck, tractor, and trailer equipment as specified by the manufacturer of the equipment. If the manufacturer's rating is unknown, the gross weight rating is the greater of:

(A) the actual weight of the equipment and its lading; or

(B) the maximum lawful weight of the equipment and its lading.

(19) [(18)] Household goods agent--A motor carrier who transports household goods on behalf of another motor carrier.

(20) [(19)] Household goods carrier--A motor carrier who transports household goods

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1 for compensation, regardless of the size of the vehicle.

2 (21) [(20)] Inventory--A list of the items in a household goods shipment and the  
3 condition of the items.

4 (22) [(21)] Leasing business--A person that leases vehicles requiring registration under  
5 Subchapter B of this chapter to a motor carrier that must be registered.

6 (23) [(22)] Mediation--A non-adversarial form of alternative dispute resolution in which  
7 an impartial person, the mediator, facilitates communication between two parties to promote  
8 reconciliation, settlement, or understanding.

9 (24) [(23)] Motor Carrier or carrier--As defined in Transportation Code, §643.001(6).

10 (25) [(24)] Motor transportation broker--As defined in Transportation Code, §646.001.

11 (26) [(25)] Moving services contract--A contract between a household goods carrier and  
12 shipper, such as a bill of lading, receipt, order for service, or work order, that sets out the terms of the  
13 services to be provided.

14 (27) [(26)] Multiple user--An individual or business who has a contract with a household  
15 goods carrier and who used the carrier's services more than 50 times within the preceding 12 months.

16 (28) [(27)] Not-to-exceed proposal--A formal written offer stating the maximum price a  
17 shipper can be required to pay for the transportation of specified household goods and any related  
18 services. The offer may also state the non-binding approximate price. Any offer based on hourly rates  
19 must state the maximum number of hours required for the transportation and related services unless  
20 there is an acknowledgment from the shipper that the number of hours is not necessary.

21 (29) [(28)] Principal business address--A single location that serves as a motor carrier's  
22 headquarters and where it maintains its operational records or can make them available.

23 (30) [(29)] Print advertisement--A written, graphic, or pictorial statement or

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1 representation made in the course of soliciting intrastate household goods transportation services,  
2 including, without limitation, a statement or representation made in or contained in a newspaper,  
3 magazine, circular, or other publication. The term does not include direct communication between a  
4 household goods carrier or carrier's representative and a prospective shipper, and does not include the  
5 following:

6 (A) promotional items of nominal value such as ball caps, tee shirts, and pens;

7 (B) business cards;

8 (C) Internet websites;

9 (D) listings not paid for by the household goods carrier or its household goods  
10 carrier's agent; and

11 (E) listings of a household goods carrier's business name or assumed name as it  
12 appears on the motor carrier certificate of registration, and the household goods carrier's address, and  
13 contact information in a directory or similar publication.

14 (31) ~~[(30)]~~ Public highway--Any publicly owned and maintained street, road, or highway  
15 in this state.

16 (32) ~~[(31)]~~ Replacement vehicle--A vehicle that takes the place of another vehicle that  
17 has been removed from service.

18 (33) ~~[(32)]~~ Revocation--The withdrawal of registration and privileges by the department  
19 or a registration state.

20 (34) ~~[(33)]~~ Shipper--The owner of household goods or the owner's representative.

21 (35) ~~[(34)]~~ Short-term lease--A lease of 30 days or less.

22 (36) ~~[(35)]~~ Substitute vehicle--A vehicle that is leased from a leasing business and that is  
23 used as a temporary replacement for a vehicle that has been taken out of service for maintenance,

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1 repair, or any other reason causing the temporary unavailability of the permanent vehicle.

2 (37) ~~[(36)]~~ Suspension--Temporary removal of privileges granted to a registrant by the  
3 department or a registration state.

4 (38) ~~[(37)]~~ Unified Carrier Registration System or UCR--A motor vehicle registration  
5 system established under 49 U.S.C. §14504a or a successor federal registration program.

6 (39) ~~[(38)]~~ USDOT--United States Department of Transportation.

7 (40) ~~[(39)]~~ USDOT number--An identification number issued by or under the authority of  
8 the FMCSA or its successor.

9  
10 **SUBCHAPTER B. MOTOR CARRIER REGISTRATION**

11 **43 TAC §218.13**  
12

13 **STATUTORY AUTHORITY.** The Texas Department of Motor Vehicles (department) proposes amendments  
14 under Transportation Code, §643.003, which authorizes the department to adopt rules to administer  
15 Transportation Code, Chapter 643; Transportation Code, §1002.001, which authorizes the board to adopt  
16 rules that are necessary and appropriate to implement the powers and duties of the department under  
17 the Transportation Code and other laws of this state; Government Code, §2001.004(1), which requires  
18 state agencies to adopt rules of practice stating the nature and requirements of all available formal and  
19 informal procedures; and the statutory authority referenced throughout this preamble and in the rule  
20 text, which is incorporated herein by reference.

21  
22 **CROSS REFERENCE TO STATUTE.** The proposed amendments would implement Transportation Code,  
23 Chapter 643; and Government Code, §2001.004(1).

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Text.

§218.13. Application for Motor Carriers Registration.

(a) Form of original application. An original application for motor carrier registration must be filed electronically in the department's designated motor carrier registration system, must be in the form prescribed by the director and must contain, at a minimum, the following information and documents.

(1) USDOT number. A valid USDOT number issued to the applicant.

(2) Applicant information and documents. All applications must include the following information and documents:

(A) The applicant's name, business type (e.g., sole proprietor, corporation, or limited liability company), telephone number, email address, and Secretary of State file number, as applicable. The applicant's name and email address must match the information the applicant provided to FMCSA to obtain the USDOT number that the applicant provided in its application to the department.

(B) An application submitted by an entity, such as a corporation, general partnership, limited liability company, limited liability corporation, limited partnership, or partnership, must include the entity's Texas Comptroller's Taxpayer Number or the entity's Federal Employer Identification Number.

(C) A legible and accurate electronic image of each applicable required document:

(i) The certificate of filing, certificate of incorporation, or certificate of registration on file with the Texas Secretary of State; and

(ii) each assumed name certificate on file with the Secretary of State or county clerk.

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1 (3) Information and documents regarding applicant's owners, representatives, and  
2 affiliates. All applications must include the following information and documents on the applicant's  
3 owners, representatives, and affiliates, as applicable:

4 (A) The contact name, email address, and telephone number of the person  
5 submitting the application. ~~[An authorized representative of the applicant who files an application with~~  
6 ~~the department on behalf of an applicant may be required to provide written proof of authority to act on~~  
7 ~~behalf of the applicant.]~~

8 (B) The name, social security number or Individual Taxpayer Identification  
9 Number (to the extent the natural person is authorized by law to obtain one of these numbers), date of  
10 birth, business address, and ownership percentage for each owner, partner, member, or principal if the  
11 applicant is not a publicly traded company.

12 (C) The name, social security number or Individual Taxpayer Identification  
13 Number (to the extent the natural person is authorized by law to obtain one of these numbers), date of  
14 birth, and business address for the following if the applicant is owned in full or in part by a legal entity:

15 (i) each officer, director, or trustee authorized to act on behalf of the  
16 applicant; and

17 (ii) each manager or representative who has or exercises authority to  
18 direct some or all of the applicant's operational policy regarding compliance with applicable laws  
19 regarding a motor carrier, excluding sales functions, on behalf of the applicant.

20 (D) The name, employer identification number, ownership percentage, and non-  
21 profit or publicly traded status for each legal entity that owns the applicant in full or in part.

22 (E) The name, social security number or Individual Taxpayer Identification  
23 Number (to the extent the natural person is authorized by law to obtain one of these numbers), date of

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1 birth, and business address for each person who serves or will serve as the applicant's manager, operator,  
2 or representative who has or exercises authority to direct some or all of the applicant's operational policy  
3 regarding compliance with applicable laws regarding a motor carrier, excluding sales functions.

4 (F) A legible and accurate electronic image of at least one of the following  
5 unexpired identity documents for each natural person identified in the application:

6 (i) a driver license issued by a state or territory of the United States. If the  
7 driver license was issued by the Texas Department of Public Safety, the image must also include the audit  
8 number listed on the Texas driver license;

9 (ii) Texas identification card issued by the Texas Department of Public  
10 Safety under Transportation Code, Chapter 521, Subchapter E, or an identification certificate issued by a  
11 state or territory of the United States;

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

14 (iv) United States passport; or

15 (v) United States military identification.

16 (4) Principal business address and mailing address. The applicant must provide the  
17 applicant's principal business address, which must be a physical address. If the mailing address is different  
18 from the principal business address, the applicant must also provide the applicant's mailing address.

19 (5) Legal agent.

20 (A) A Texas-domiciled motor carrier must provide the name, telephone number,  
21 and address of a legal agent for service of process if the agent is different from the motor carrier.

22 (B) A motor carrier domiciled outside Texas must provide the name, telephone  
23 number, and Texas address of the legal agent for service of process.



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1 (C) A legal agent for service of process shall be a Texas resident, a domestic  
2 corporation, or a foreign corporation authorized to transact business in Texas with a Texas physical  
3 address, rather than a post office box, for service of process.

4 (6) Description of vehicles. An application must include a motor carrier equipment report  
5 identifying each motor vehicle that requires registration and that the carrier proposes to operate. Each  
6 motor vehicle must be identified by its vehicle identification number, make, model year, and type of cargo  
7 and by the unit number assigned to the motor vehicle by the motor carrier. Any subsequent registration  
8 of vehicles must be made under subsection (e) of this section.

9 (7) Type of motor carrier operations. An applicant must state if the applicant proposes to  
10 transport passengers, household goods, or hazardous materials.

11 (8) Insurance coverage. An applicant must indicate insurance coverage as required by  
12 §218.16 of this title (relating to Insurance Requirements).

13 (9) Safety certification. Each motor carrier must complete, as part of the application, a  
14 certification stating that the motor carrier knows and will conduct operations in accordance with all  
15 federal and state safety regulations.

16 (10) Drug-testing certification. Each motor carrier must certify, as part of the application,  
17 that the motor carrier is in compliance with the drug-testing requirements of 49 C.F.R. Part 382. If the  
18 motor carrier belongs to a consortium, as defined by 49 C.F.R. Part 382, the applicant must provide the  
19 names of the persons operating the consortium.

20 (11) Duration of registration.

21 (A) An applicant must indicate the duration of the desired registration. Except as  
22 provided otherwise in this section, registration may be for seven calendar days, 90 calendar days, one  
23 year, or two years. The duration of registration chosen by the applicant will be applied to all vehicles.

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(i) Household goods carriers may not obtain seven-day or 90-day certificates of registration.

(ii) Motor carriers that transport passengers in a commercial motor vehicle as defined by Transportation Code, §548.001(1)(B) may not obtain seven-day or 90-day certificates of registration, unless approved by the director.

(B) Interstate motor carriers that operate in intrastate commerce and meet the requirements under §218.14(c) of this title (relating to Expiration and Renewal of Commercial Motor Vehicles Registration) are not required to renew a certificate of registration issued under this section.

(12) Additional requirements. The following fees, documents, and information must be submitted with the application.

(A) An application must be accompanied by an application fee of:

(i) \$100 for annual and biennial registrations;

(ii) \$25 for 90-day registrations; or

(iii) \$5 for seven-day registrations.

(B) An application must be accompanied by a vehicle registration fee of:

(i) \$10 for each vehicle that the motor carrier proposes to operate under a seven-day, 90-day, or annual registration; or

(ii) \$20 for each vehicle that the motor carrier proposes to operate under a biennial registration.

(C) An application must be accompanied by proof of insurance or financial responsibility and the insurance filing fee as required by §218.16.

(D) An application must include the completed New Applicant Questionnaire (Applicant Questionnaire), which consists of questions and requirements, such as the following:

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1 (i) Have you ever had another motor carrier certificate of registration  
2 number issued by the department in the three years prior to the date of this application? If your answer  
3 is yes, provide the certificate of registration number for the motor carrier(s). In the Applicant  
4 Questionnaire, the word "you" means the applicant or any business that is operated, managed, or  
5 otherwise controlled by or affiliated with the applicant or a family member, corporate officer, manager,  
6 operator, or owner (if the business is not a publicly traded company) of the applicant. In the Applicant  
7 Questionnaire, the word "manager" means a person who has or exercises authority to direct some or all  
8 of the applicant's operational policy regarding compliance with applicable laws regarding a motor carrier,  
9 excluding sales functions.

10 (ii) Have you had a Compliance Review or a New Entrant Audit by the  
11 Texas Department of Public Safety that resulted in an Unsatisfactory Safety Rating in the three years prior  
12 to the date of your application? If your answer is yes, provide the USDOT number(s) and the certificate of  
13 registration number(s) issued by the department.

14 (iii) Are you currently under an Order to Cease from the Texas  
15 Department of Public Safety? If your answer is yes, provide the motor carrier's USDOT number(s) and the  
16 Carrier Profile Number(s). The Texas Department of Public Safety assigns a Carrier Profile Number (CP#)  
17 when they perform a compliance review on a motor carrier's operations to determine whether the motor  
18 carrier meets the safety fitness standards.

19 (iv) Are you related to another motor carrier, or have you been related to  
20 another motor carrier within the three years prior to the date of your application? The relationship may  
21 be through a person (including a family member), corporate officer, or partner who also operates or has  
22 operated as a motor carrier in Texas. If your answer is yes, state how you are related and provide the

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1 motor carrier's name and the motor carrier's USDOT number, or the certificate of registration number  
2 issued by the department for each related motor carrier.

3 (v) Do you currently owe any administrative penalties to the department,  
4 regardless of when the final order was issued to assess the administrative penalties? If your answer is yes,  
5 provide the following information under which the administrative penalties were assessed:

6 (I) department's notice number(s); and

7 (II) the motor carrier's USDOT number and certificate of  
8 registration number issued by the department;

9 (vi) Name and title of person completing the Applicant  
10 Questionnaire; and

11 (vii) Is the person completing the Applicant Questionnaire an  
12 authorized representative of the applicant? If your answer is yes, please add the person's name, job title,  
13 phone number, and address.

14 (E) An applicant must state if the applicant is domiciled in a foreign country.

15 (F) An application must include a certification that the information and  
16 documents provided in the application are true and correct and that the applicant complied with the  
17 application requirements under Chapter 218 of this title (relating to Motor Carriers) and Transportation  
18 Code, Chapter 643.

19 (G) An application must be accompanied by any other information and  
20 documents required by the department to evaluate the application under current law, including board  
21 rules.

22 (13) Additional requirements for household goods carriers. The following information,  
23 documents, and certification must be submitted with all applications by household goods carriers:

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1 (A) A copy of the tariff that sets out the maximum charges for transportation of  
2 household goods, or a copy of the tariff governing interstate transportation services. If an applicant is  
3 governed by a tariff that its association has already filed with the department under §218.65 of this title  
4 (relating to Tariff Registration), the applicant complies with the requirement in this subparagraph by  
5 checking the applicable box on the application to identify the association's tariff.

6 (B) If the motor vehicle is not titled in the name of the household goods carrier,  
7 the following lease information and documentation, notwithstanding §218.18(a) of this title (relating to  
8 Short-term Lease and Substitute Vehicles):

9 (i) a copy of a valid lease agreement for each motor vehicle that the  
10 household goods carrier will operate; and

11 (ii) the name of the lessor and their USDOT number for each motor  
12 vehicle leased to the household goods carrier under a short-term lease.

13 (C) A certification that the household goods carrier has procedures that comply  
14 with Code of Criminal Procedure, Article 62.063(b)(3), which prohibits certain people who are required to  
15 register as a sex offender from providing moving services in the residence of another person without  
16 supervision.

17 (14) Additional requirements for passenger carriers. The following information and  
18 documents must be submitted with all applications for motor carriers that transport passengers in a  
19 commercial motor vehicle as defined by Transportation Code, §548.001(1)(B):

20 (A) If the commercial motor vehicle is titled in the name of the motor carrier, a  
21 copy of the International Registration Plan registration receipt or a copy of the front and back of the title  
22 for each commercial motor vehicle; or

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(B) If the commercial motor vehicle is not titled in the name of the motor carrier, the following lease information and documentation, notwithstanding §218.18(a) of this title:

(i) A copy of a valid lease agreement for each commercial motor vehicle; and

(ii) The name of the lessor and their USDOT number for each commercial motor vehicle leased to the motor carrier under a short-term lease.

(b) Conditional acceptance of application. If an application has been conditionally accepted by the director pursuant to Transportation Code, §643.055, the applicant may not operate the following until the department has issued a certificate under Transportation Code, §643.054:

(1) a commercial motor vehicle or any other motor vehicle to transport household goods for compensation, or

(2) a commercial motor vehicle to transport persons or cargo.

(c) Approved application. An applicant meeting the requirements of this section and whose registration is approved shall be issued the following documents:

(1) Certificate of registration. The department shall issue a certificate of registration. The certificate of registration must contain the name and address of the motor carrier and a single registration number, regardless of the number of vehicles requiring registration that the carrier operates.

(2) Insurance cab card. The department shall issue an insurance cab card listing all vehicles to be operated under the carrier's certificate of registration. The insurance cab card shall be continuously maintained at the motor carrier's principal business address. The insurance cab card must be valid for the same period as the motor carrier's certificate of registration and shall contain information regarding each vehicle registered by the motor carrier.

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(A) A current copy of the page of the insurance cab card on which the vehicle is shown shall be maintained in each vehicle listed, unless the motor carrier chooses to maintain a legible and accurate image of the insurance cab card on a wireless communication device in the vehicle or chooses to display such information on a wireless communication device by accessing the department's online system from the vehicle. The appropriate information concerning that vehicle shall be highlighted if the motor carrier chooses to maintain a hard copy of the insurance cab card or chooses to display an image of the insurance cab card on a wireless communication device in the vehicle. The insurance cab card or the display of such information on a wireless communications device shall serve as proof of insurance as long as the motor carrier has continuous insurance or financial responsibility on file with the department.

(B) On demand by a department investigator or any other authorized government personnel, the driver shall present the highlighted page of the insurance cab card that is maintained in the vehicle or that is displayed on a wireless communication device in the vehicle. If the motor carrier chooses to display the information on a wireless communication device by accessing the department's online system, the driver shall locate the vehicle in the department's online system upon request by the department-certified inspector or other authorized government personnel.

(C) The motor carrier shall notify the department in writing if it discontinues use of a registered motor vehicle before the expiration of its insurance cab card.

(D) Any erasure or alteration of an insurance cab card that the department printed out for the motor carrier renders it void.

(E) If an insurance cab card is lost, stolen, destroyed, or mutilated; if it becomes illegible; or if it otherwise needs to be replaced, the department shall print out a new insurance cab card

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1 at the request of the motor carrier. Motor carriers are authorized to print out a copy of a new insurance  
2 cab card using the department's online system.

3 (F) The department is not responsible for a motor carrier's inability to access the  
4 insurance cab card using the department's online system.

5 (d) Additional and replacement vehicles. A motor carrier required to obtain a certificate of  
6 registration under this section shall not operate additional vehicles unless the carrier identifies the  
7 vehicles on a form prescribed by the director and pays applicable fees as described in this subsection.

8 (1) Additional vehicles. To add a vehicle, a motor carrier must pay a fee of \$10 for each  
9 additional vehicle that the motor carrier proposes to operate under a seven-day, 90-day, or annual  
10 registration. To add a vehicle during the first year of a biennial registration, a motor carrier must pay a fee  
11 of \$20 for each vehicle. To add a vehicle during the second year of a biennial registration, a motor carrier  
12 must pay a fee of \$10 for each vehicle.

13 (2) Replacement vehicles. No fee is required for a vehicle that is replacing a vehicle for  
14 which the fee was previously paid. Before the replacement vehicle is put into operation, the motor carrier  
15 must notify the department, identify the vehicle being taken out of service, and identify the replacement  
16 vehicle on a form prescribed by the department. A motor carrier registered under seven-day registration  
17 may not replace vehicles.

18 (e) Supplement to original application. A motor carrier required to register under this section shall  
19 electronically file in the department's designated motor carrier registration system a supplemental  
20 application under the following circumstances.

21 (1) Change of cargo. A registered motor carrier may not begin transporting household  
22 goods or hazardous materials unless the carrier submits a supplemental application to the department



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1 and shows the department evidence of insurance or financial responsibility in the amounts specified by  
2 §218.16.

3 (2) Change of name. A motor carrier that changes its name shall file a supplemental  
4 application for registration no later than the effective date of the change. The motor carrier shall include  
5 evidence of insurance or financial responsibility in the new name and in the amounts specified by §218.16.

6 A motor carrier that is a corporation must have its name change approved by the Texas Secretary of State  
7 before filing a supplemental application. A motor carrier incorporated outside the state of Texas must  
8 complete the name change under the law of its state of incorporation before filing a supplemental  
9 application.

10 (3) Change of address or legal agent for service of process. A motor carrier shall file a  
11 supplemental application for any change of address or any change of its legal agent for service of process  
12 no later than the effective date of the change. The address most recently filed will be presumed  
13 conclusively to be the current address.

14 (4) Change in principal officers and titles. A motor carrier that is a corporation shall file a  
15 supplemental application for any change in the principal officers and titles no later than the effective date  
16 of the change.

17 (5) Conversion of corporate structure. A motor carrier that has successfully completed a  
18 corporate conversion involving a change in the name of the corporation shall file a supplemental  
19 application for registration and evidence of insurance or financial responsibility reflecting the new  
20 company name. The conversion must be approved by the Office of the Secretary of State before the  
21 supplemental application is filed.

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(6) Change in drug-testing consortium status. A motor carrier that changes consortium status shall file a supplemental application that includes the names of the persons operating the consortium.

(7) Retaining a revoked or suspended certificate of registration number. A motor carrier may retain a prior certificate of registration number by:

(A) filing a supplemental application to reregister instead of filing an original application; and

(B) providing adequate evidence that the carrier has satisfactorily resolved the issue that gave rise to the suspension or revocation.

(f) Change of ownership. A motor carrier must file an original application for registration when there is a corporate merger or a change in the ownership of a sole proprietorship or of a partnership.

(g) Alternative vehicle registration for household goods agents. To avoid multiple registrations of a motor vehicle, a household goods agent's vehicles may be registered under the motor carrier's certificate of registration under this subsection.

(1) The carrier must notify the department on a form approved by the director of its intent to register its agent's vehicles under this subsection.

(2) When a carrier registers vehicles under this subsection, the carrier's certificate shall include all vehicles registered under its agent's certificates of registration. The carrier must register under its certificate of registration all vehicles operated on its behalf that do not appear on its agent's certificate of registration.

(3) The department may send the carrier a copy of any notification sent to the agent concerning circumstances that could lead to denial, suspension, or revocation of the agent's certificate.

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(h) Substitute vehicles leased from leasing businesses. A registered motor carrier is not required to comply with the provisions of subsection (e) of this section for a substitute vehicle leased from a business registered under §218.18 of this title (relating to Short-term Lease and Substitute Vehicles). A motor carrier is not required to carry proof of registration as described in subsection (d) of this section if a copy of the lease agreement for the originally leased vehicle is carried in the cab of the temporary replacement vehicle.

(i) ~~A [Once the] motor carrier with an unexpired [obtains a] certificate of registration that has not been revoked [the motor carrier]~~ shall update its principal business address, mailing address, and email address in the department's online system within 30 days of a change to the information.

(j) A sole proprietor with an unexpired certificate of registration shall notify the department as specified in subsection (k) of this section, through the sole proprietor's authorized representative, of the sole proprietor's imprisonment for any of the following:

(1) a felony conviction for any of the following:

(A) an offense that directly relates to the duties and responsibilities of a motor carrier as defined in §211.25 of this title (relating to Criminal Offense Guidelines; Imprisonment);

(B) an offense listed in Code of Criminal Procedure, Article 42A.054; or

(C) a sexually violent offense, as defined by Code of Criminal Procedure, Article 62.001;

(2) felony community supervision revocation;

(3) revocation of parole; or

(4) revocation of mandatory supervision.

(k) The notice under subsection (j) of this section shall be provided to the department:

(1) for an imprisonment that occurs on or after May 1, 2026;

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1                   (2) within 15 days of the date the sole proprietor is imprisoned;

2                   (3) using the email address listed on the department's website for this purpose; and

3                   (4) with the following information:

4                   (A) the name of the sole proprietor;

5                   (B) the sole proprietor's certificate of registration number under Transportation

6 Code, Chapter 643;

7                   (C) the date the sole proprietor was imprisoned;

8                   (D) the reason the sole proprietor was imprisoned, using one of the reasons listed  
9 in subsection (j) of this section;

10                   (E) the citation to the statute, administrative rule, or regulation regarding the  
11 felony offense for which the sole proprietor was imprisoned if the sole proprietor was imprisoned for a  
12 felony conviction that falls under subsection (j)(1) of this section;

13                   (F) whether the sole proprietor is a motor carrier of passengers, a for-hire motor  
14 carrier of cargo, a household goods carrier, or a motor carrier who transports hazardous materials under  
15 Transportation Code, Chapter 643; and

16                   (G) the name and phone number of the sole proprietor's authorized  
17 representative.

18                   (I) An applicant under this chapter and a motor carrier with a certificate of registration may submit  
19 an application to the department or provide the department with any required information and updates  
20 through an authorized representative. Upon request by the department, a representative shall provide  
21 the department with written proof of authority to act on behalf of the applicant or motor carrier.

**Board Meeting Date: 12/11/2025**  
**ACTION ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Annette Quintero, Vehicle Titles & Registration Division Director  
**Agenda Item:** 10  
**Subject:** Specialty Plate Design

### **RECOMMENDATION**

Action Item. The Vehicle Titles and Registration Division seeks board approval or denial for one plate design submitted for your consideration. The plate design is from the marketing vendor, My Plates.

### **PURPOSE AND EXECUTIVE SUMMARY**

Ultimate Fighting Championship (UFC) is a new plate design. The design is offered in flat and embossed versions.

### **FINANCIAL IMPACT**

Costs incurred by the department related to the My Plates program and an \$8 administrative fee per plate are recouped from the My Plates vendor. Revenue generated from the sale of vendor specialty license plates is split between the state (General Revenue Fund) and My Plates. The details of the revenue splits can be found in Section IV (State/Contractor Revenue Sharing) of the Specialty License Plate Marketing contract.

### **BACKGROUND AND DISCUSSION**

Statutory authority for the board to approve vendor specialty license plates and invite the public's comment on proposed vendor plate designs is in Texas Transportation Code §504.851(g) and (g-1) (1). Statutory authority for a sponsor of a specialty license plate under Texas Transportation Code Chapter 504, Subchapter J, to contract with the private vendor authorized under Texas Transportation Code §504.851 for the marketing and sale of the specialty license plate is in Texas Transportation Code §504.6011. Statutory authority for the board to approve non-profit organization specialty license plates and invite the public's comment on proposed plate designs is in Texas Transportation Code §504.801. The board's approval criteria are clarified in Texas Administrative Code §217.45 Specialty License Plates, Symbols, Tabs, and Other Devices, and §217.52 Marketing of Specialty License Plates through a Private Vendor.

The vendor contract (Statement of Work paragraph #2, Marketing Services) specifies that following the board's contingent approval of a plate, the vendor must get at least 200 commitments within six months of the approval for a plate to be produced (*existing* plates must also maintain 200 registrations to stay in the program). My Plates' procedure is to first offer a plate to the public to register their interest. Following the board's contingent approval, My Plates then offers a plate online for prepaid orders and confirms when 200 prepaid orders are achieved.

TxDMV's procedure is to invite comments on all proposed plates ahead of the board's review. The department's intent is to determine if there are any unforeseen public concerns about a plate design. The department publishes a 10-day "like/dislike/comment-by-email" survey, called an eVIEW, on its website. Although the survey counts the public's "likes" and "dislikes," it is unscientific and not used as an indicator of a plate's popularity.

The plate design listed below was presented to the public in a November 2025 eVIEW. The count of the public’s “like/dislikes” are noted below:

Ultimate Fighting Championship (UFC)	New
<div> <div> <div>179</div> <div>people liked this design and 234 did not</div> </div> <div>  </div> </div>	

### Ultimate Fighting Championship (UFC)





# TEXAS SPECIALTY PLATE BUSINESS

Vehicle Titles and  
Registration Division  
Special Plates Unit (5FTEs) 12/25



VTR Director  
Annette Quintero

## FY 2025



### FY 2025 PLATES AVAILABLE

**SLP AVAILABLE** \_\_\_\_\_ **570**  
**MILITARY AND DV** \_\_\_\_\_ **220**  
**RESTRICTED USE** \_\_\_\_\_ **64**  
**STATE SPECIALTY** \_\_\_\_\_ **129**  
**VENDOR SPECIALTY** \_\_\_\_\_ **157**



TOP TEN DATA FY 2025	LINKED	UNLINKED	TOTAL
1. ANIMAL FRIENDLY	5,926	263	6,189
2. CONSERVATION: HORNED LIZARD	5,236	248	5,484
3. CONSERVATION: BLUEBONNET	4,172	242	4,414
4. CONSERVATION: WHITE-TAILED DEER	2,926	166	3,092
5. CONSERVATION: HUMMINGBIRD	1,927	129	2,056
6. BIG BEND NATIONAL PARK	1,760	104	1,864
7. CONSERVATION: LARGE MOUTH BASS	1,747	134	1,881
8. NATIVE TEXAN	1,573	90	1,663
9. CONSERVATION: CAMPING	1,567	115	1,682
10. CONSERVATION: MONARCH BUTTERFLY	1,508	132	1,640



1. CLASSIC BLACK	60,762	10,664	71,426
2. LARGE STAR WHITE-BLACK	32,891	4,415	37,306
3. CLASSIC BLACK-SILVER	24,288	3,521	27,809
4. CARBON FIBER	14,847	3,020	17,867
5. LONE STAR BLACK	14,320	2,423	16,743
6. TEXAS BLACK 1845	14,240	2,461	16,701
7. EMBOSSED BLACK & WHITE E	7,148	3,440	10,588
8. LOVE HEART	5,475	813	6,288
9. LONE STAR 1836	5,244	919	6,163
10. TEXAS OIL & GAS	4,627	832	5,459



1. DISABLED VETERAN	230,023	7,163	237,186
2. DV U.S. ARMY	64,897	1,923	66,820
3. DV U.S. MARINE CORPS	38,854	1,084	39,938
4. DV U.S. AIR FORCE	30,225	872	31,097
5. DV U.S. NAVY	27,942	838	28,780
6. DV BRONZE STAR MEDAL	16,369	439	16,808
7. MERITORIOUS SERVICE MEDAL	14,285	692	14,977
8. PURPLE HEART	11,716	379	12,095
9. U.S. MARINE CORPS	11,568	567	12,135
10. DV MERITORIOUS SERVICE MEDAL	10,252	256	10,508

### SPECIAL PLATES UNIT CUSTOMER SERVICE STATISTICS FY 2025

<b>80,641</b>	<b>25,424</b>	<b>76</b>	<b>12,379</b>	<b>2,393</b>	<b>22</b>	<b>4,886</b>
Personalized Plate Applications Reviewed (96% Approved)	Telephone Calls	Walk-in Customers	Emails	Refunds	Public Information Open Records	Correspondence (Including Plate Applications)



# Texas Department of Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Glenna Bowman, Chief Financial Officer, and Dorothy Spearman, Project Manager  
**Agenda Item:** 11.A  
**Subject:** Camp Hubbard Renewal Project Update

## RECOMMENDATION

Briefing Only.

## PURPOSE AND EXECUTIVE SUMMARY

Briefing item only to provide an update on the Camp Hubbard Renewal Project.

## FINANCIAL IMPACT

N/A

## BACKGROUND AND DISCUSSION

One year after the Camp Hubbard Renewal project groundbreaking, significant progress has been made.

- Building CH-2 Renovation: 87% complete
  - Modernization of the elevator lobbies and restrooms throughout the building will wrap up this month, with stairwells following in early January.
  - Office suites on the 1<sup>st</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> floors are nearing completion for final systems testing and inspections. New workstations and office furniture will be installed in January.
  - The renovated lobby is awaiting furniture, signage and artwork. The lobby will provide an indoor route between the south parking lot and the future covered walkway to the north.
  - Sunshade replacement, waterproofing and painting are progressing on the south and west elevations.
- Site Utilities: Installation and rerouting of underground site utilities to the new building is complete.
- New Building Construction: 24% complete
  - The post tensioned concrete structure has exceeded all strength testing to date. The final section of the roof will be installed the week of December 15. Steel framing for mechanical equipment and the elevator penthouse will top out the structure in early January.
  - Exterior walls at the loading dock, central utility plant and other one-story areas of the building are already taking shape. After the structural shoring platforms and posts are removed, the metal framing and sheathing of the exterior walls will commence on the rest of the exterior walls.
  - Mechanical system piping installation has begun in the central utility plant and above ceiling areas.
- Budget: Texas Public Finance Authority has disbursed \$49.4 million of the \$143 million appropriation from the 88<sup>th</sup> Legislative Session.
  - 90% of appropriated funds have been encumbered.
  - 27% of those encumbrances have been expended.
- Schedule: Overall project completion is 38%. The certificate of occupancy for the new building is on target for the end of 2026. The final phase of site work will be complete July 2027.



**Board Meeting Date: 12/11/2025**  
**BRIEFING**

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**To:** Texas Department of Motor Vehicles Board  
**From:** Wendy Barron, Chief Information Officer  
**Agenda Item:** 11.B.i  
**Subject:** Technology Projects: Registration and Title System (RTS) Replacement and Ecosystem Modernization

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**RECOMMENDATION**

Briefing only – No recommendation.

**PURPOSE AND EXECUTIVE SUMMARY**

To brief the Projects and Operations Committee on the status of the RTS Modernization Program.

**FINANCIAL IMPACT**

N/A

**BACKGROUND AND DISCUSSION**

RTS is a flagship application within TxDMV originally designed and built by TxDOT in the mid-1990s. RTS has undergone continuous rebuilding, upgrades, and process improvements over time to maintain primary system functionality. While the system is stabilized for continued near-term use, advancements in technology and application development, as well as the workload demands of a growing state, are rendering this system obsolete. In the years since RTS was placed in service, the cost of maintaining the system has increased while the department's ability to adapt and change its use to better serve the evolving needs of the motoring public and state regulatory structures has decreased. For these reasons, the department must begin the process of replacing RTS and its associated applications.

Phase One, which took place in FY 2024-25 and is now complete, focused on "Discovery and Analysis". TxDMV accomplished:

- A comprehensive "As-Is Analysis" which provided TxDMV leadership with a comprehensive perspective of the existing RTS application ecosystem. Analysis included identification of systemic gaps, pain points, and practical obstacles to a straightforward upgrade.
- A comprehensive external market analysis that provided a look at various recent successful RTS implementations from other States. The market analysis produced a final report rich with information about success stories, utilization rates, lessons learned, technology trends, and opportunities to leverage leading and emerging technologies.
- Performed key initial and foundational technology procurements and initiated a few key projects.
- Submitted initial documentation for Quality Assurance Team (QAT) review and approval and began the process for regular engagement.

Phase Two, the “Foundational” phase, is now underway for FY 2026-27. The strategy for this biennium involves upgrading existing technology and making strategic preparations for development of the future state RTS core application. This includes:

- Acquisition of a Procurement Assistance vendor which will facilitate drafting department solicitations for key procurements.
- Secure a contract for a suitable vendor for implementation of the future state RTS Core application.
- Ensure existing network, servers, and supporting applications and middleware are upgraded to currently supported versions.
- Comprehensive analysis of the data ecosystem and development of a suitable migration and maintenance plan.
- Initiated key projects including “ITSM”, “Identity/Access Management”, and “Document Management and Storage”, each of which contribute to a stronger technological foundation for further integration and development.
- Implementation of “Early Service Enhancements”, a class of small projects dedicated to ensuring continuous value delivery.

Project Status:

- Priority-one procurements are nearing completion and are expected to be completed within a matter of weeks.
- Various currency and security projects for network, server, and infrastructure are underway.
- The contract project manager and PMO are facilitating delivery of approved QAT assets to the Quality Assurance Team, as well as establishing the program framework, facilitating governance, integrating projects, and driving best practices.

Program End Date: 8/31/2031



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**To:** Texas Department of Motor Vehicles Board  
**From:** Wendy Barron, Chief Information Officer  
**Agenda Item:** 11.B.ii  
**Subject:** Technology Projects: Motor Carrier Credentialing System (MCCS) Rewrite

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**RECOMMENDATION**

Briefing only – No recommendation.

**PURPOSE AND EXECUTIVE SUMMARY**

To brief the Projects and Operations Committee on the status of the Motor Carrier Credentialing System Rewrite.

**FINANCIAL IMPACT**

N/A

**BACKGROUND AND DISCUSSION**

The MCCS Rewrite project will replace the existing legacy MCCS system with a modern, reliable application supported by an external vendor. The project will reduce the operational risk to the department using improved technologies and ensure long-term support and operability.

**Project Status:**

- The project is currently in the implementation phase.
- Compiling test cases and test scenarios for both functional and non-functional requirements.
- The vendor is updating technical and business design documents based on project team feedback.
- Amazon Web Services infrastructure setup is complete, and the vendor is migrating test data.
- Finalizing the Application Programming Interfaces (APIs), integration with Box, Accounts Receivable, and FDMS requirements.
- The vendor received access to the Federal Motor Carrier Safety Administration (FMCSA) data, so we can automatically transfer data through API to the TXDMV MCCS Application.
- Requirements gathering is complete for SB2807 autonomous vehicle registration; implementation is ongoing.

Project End Date: Scheduled for April 2026

**To:** Texas Department of Motor Vehicles Board  
**From:** William Diggs, Director, Motor Vehicle Crime Prevention Authority  
**Agenda Item:** 11.C  
**Subject:** Motor Vehicle Crime Prevention Authority (MVCPA) Grants Management Tracking System

### RECOMMENDATION

Briefing only.

### PURPOSE AND EXECUTIVE SUMMARY

To provide an update on the search for a new Grants Management Tracking System (GMTS).

### FINANCIAL IMPACT

Approximately \$1 million.

### BACKGROUND AND DISCUSSION

The existing MVCPA grants management tracking legacy system, built in 2017 and managed by Texas A&M University, has been in operation for many years. A new grants management tracking system vendor was recently procured that can handle the transfer of existing data in compliance with applicable state laws and agency data retention rules. The new system must meet both current and future operational needs, especially for the MVCPA's law enforcement grant program, and comply with state information security and accessibility standards.

Key requirements for the new system include:

- A centralized homepage
- A grantee homepage
- A financial dashboard
- Support for multiple grant types with configurable workflows
- Detailed management of grantee profiles

The system must manage the entire grant lifecycle, enable real-time performance and financial tracking, support compliance monitoring, and oversee the inventory of grant-funded assets.

Additional features should include:

- Stakeholder communication tools
- Standard reporting capabilities (such as expenditure, compliance, budget, eligibility, and law enforcement activity)
- Export options in accessible formats, including Portable Document Format (PDF), Excel (XLSX), and Comma-Separated Values (CSV)

Below is a current timeline for the project:

- |          |   |
|----------|---|
| 11/13/25 | Deadline for Purchasing to receive vendor responses.  |
| 11/14/25 | Purchasing and the evaluation (EVAL) team will conduct their EVAL workshop.   |
| 11/19/25 | Completion of the evaluation. Purchasing and the EVAL team will hold their closure meeting.                         |
| 11/20/25 | Purchasing will send the evaluation output and vendor recommendations to Wendy and William for review and approval. |



To: Texas Department of Motor Vehicles Board  
From: Eric Horn, Director of Accounting Operations  
Agenda Item: 11.D  
Subject: Accounts Receivable Project

### RECOMMENDATION

Briefing only.

### PURPOSE AND EXECUTIVE SUMMARY

This item provides an update on the Accounts Receivable (A/R) system project.

### FINANCIAL IMPACT

This project is funded with \$3.5 million in supplemental appropriations, plus \$1.1 million in TxDMV Automation System Funds for expanded master data management functionality and a new Motor Vehicle Inquiry Commercial Account (MVICA) application to be used for active directory user account management to support billing and collecting activities within the new A/R system.

### BACKGROUND AND DISCUSSION

The A/R system implementation is in progress with planned completion in state fiscal year 2026. The project schedule has been updated to include three production releases to account for infrastructure development issues and dependencies with other projects being completed.

Release A: The first production release of the A/R system occurred on July 14, 2025. This successful release included the cash journal module, which is utilized to record payments sent via mail to TxDMV's headquarters and prepare deposit documents. Daily batch jobs have also been implemented to automate the delivery of deposit information to the Texas Comptroller of Public Accounts, reducing the risk of error from manual entries into multiple systems. This release also allowed TxDMV to archive and retire the legacy Revenue Logging System (RLS) and RLS subsystem, which had previously been used to record deposit activities.

Release B: The second production release of the A/R system is ongoing, with initial invoicing and returned payment collection capabilities being successfully implemented on November 10, 2024. The remaining deliverables for this release are currently planned for the second quarter of state fiscal year 2026 and will include the addition of outstanding receivable balances for most customers, and a partial master data management solution that synchronizes all customer payment activity with a majority of existing TxDMV systems. Additionally, a new Motor Vehicle Inquiry Commercial Account (MVICA) application will be added to support billing and collecting activities within the new A/R system.

Release C: The final production release of the A/R system is currently planned for the fourth quarter of state fiscal year 2026. This release will include all remaining outstanding receivable balances for customers within the eLICENSING and



MCCS, and is dependent upon the completion of the MCCS Rewrite project currently in progress. These systems will be added to the master data management solution to centralize all account activities for the department. The warrant holds module of the new A/R system, which is used for tracking collection of motor vehicle and motor carrier penalties issued by the Enforcement Division, will also move to production.

**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Eric Horn, Director of Accounting Operations  
**Agenda Item:** 11.E  
**Subject:** Payment Processing Vendor Transition

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### **RECOMMENDATION**

Briefing item only.

### **PURPOSE AND EXECUTIVE SUMMARY**

This item provides an update on the payment processing transition for the Texas.gov platform.

### **FINANCIAL IMPACT**

This project received no additional funding, but TxDMV is addressing costs with the existing operating budget.

### **BACKGROUND AND DISCUSSION**

The Texas Department of Information Resources (DIR) conducted a competitive procurement process for vendors interested in bidding on the payment processing contract for Texas.gov transactions. DIR announced to all state agencies in April 2024 that First Data Merchant Services, LLC (FDMS) would be taking over the payment processing services from NIC/Tyler Technologies effective September 1, 2025. TxDMV began requirements-gathering meetings with DIR and FDMS in May 2024 to develop a transition plan for the 558 unique service codes that TxDMV uses to accept online payments through the Texas.gov platform. These service codes include online vehicle registration renewals through each of the 254 county tax assessor-collector (TAC) offices and over-the-counter credit card transactions at each of the 18 Regional Service Centers (RSCs) across the state. Additionally, services such as apportioned registrations, oversize/overweight permits, and specialty plates utilize the Texas.gov platform for online payments.

TxDMV, DIR and FDMS developed a joint transition plan around other significant priority projects for the department that would commence May 2025 and be completed December 2025. TxDMV applications programmed by third-party vendors were the first to move to the new platform over the summer of 2025, with MyPlates, TxFLEET, TxPROS, and GovQA all successfully migrated.

Software programming, certification testing through the State Comptroller's office, hardware installation, and county staff training for the remaining service codes began September 2025 and is on track for a December 8, 2025, launch.



**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Eric Horn, Director of Accounting Operations  
**Agenda Item:** 12.A  
**Subject:** Annual Financial Report

### **RECOMMENDATION**

Briefing item with no recommendation.

### **PURPOSE AND EXECUTIVE SUMMARY**

The Annual Financial Report is prepared in accordance with Texas Government Code, Section 2101.011 and reporting requirements established by the Comptroller of Public Accounts (CPA). The report is not audited but could be considered for audit by the State Auditor's Office as part of the State of Texas Comprehensive Annual Financial Report. The annual report was submitted to the CPA by the November 1, 2025, deadline.

### **FINANCIAL IMPACT**

In Fiscal Year (FY) 2025, TxDMV reported revenue of \$2.30 billion dollars in state funds, as follows:

State Highway Fund (0006)	\$1,918,502,455
TxDMV Fund (0010)	\$ 199,267,918
General Revenue (0001)	\$ 186,015,283

FY 2025 expenditures totaled \$263,863,507, including \$35,423,981 paid from the General Revenue Fund 0001 and \$228,439,526 paid from the TxDMV Fund 0010.

Revenues and Expenditures are detailed on Exhibits A-2 for All General and Consolidated Funds and B-2 for Special Revenue Funds.

### **BACKGROUND AND DISCUSSION**

*Exhibit I – Combined Balance Sheet (Statement of Net Assets)*

The TxDMV closed FY 2024 with a net asset balance increase of \$140.85 million over FY 2024. The total net asset amount as of August 31, 2025, was \$562.89 million.

- Cash in State Treasury is the net of revenues collected and deposited less appropriated expenses in the TxDMV Fund.
- Legislative Appropriations represents unspent appropriations in the General Revenue (Fund 0001), including any benefits appropriations. Motor Vehicle Crime Prevention Authority (MVCPA) is the main item funded from Fund 0001, along with funding for the Camp Hubbard Renewal project.
- Accounts Receivable (A/R) represents the amounts due from County Tax Assessor-Collectors and Regional Offices less collections. The decrease of \$9.42 million in A/R compared to the prior year is primarily a timing difference in counties processing deposits at year end.



## Texas Department of Motor Vehicles

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- In Capital Assets, the non-current assets had a net increase of \$20.76 million over FY 2024 primarily due construction in progress for the Camp Hubbard Renewal project.

### *Exhibit II – Combined Statement of Revenues, Expenditures, and Changes in Fund Balances*

#### **Revenues**

The TxDMV collected \$2.30 billion in FY 2025 with an increase in revenue of approximately \$248.08 million or 12.07% over the previous year.

- Licenses, Fees and Permits reflects only the revenue collected and reportable by the TxDMV. In 2025, TxDMV Fund 0010 revenue from the issuance of licenses, fees, and permits totaled approximately \$188.7 million. Revenue deposited to the State Highway Fund increased by approximately \$101.51 million, or 5.59% compared to FY 2024.

#### **Expenditures**

Expenditures totaled \$263.86 million (after adjustments) and increased approximately \$50.68 million, or 23.8%, compared to the prior year. This increase is primarily due to implementation costs of HB 718 related to dealer-issued metal plates, an increase in MVCPA grants, and construction costs related to the Camp Hubbard Renewal capital project.

Choose an item. **Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Jason Gonzalez, Internal Audit Director  
**Agenda Item:** 12.B  
**Subject:** Internal Audit Division Status Update

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### **RECOMMENDATION**

Briefing Only.

### **PURPOSE AND EXECUTIVE SUMMARY**

This status update provides information on current Internal Audit Division (IAD) activities.

### **FINANCIAL IMPACT**

N/A

### **BACKGROUND AND DISCUSSION**

#### ***Internal Engagements***

IAD has five ongoing internal engagements: (1) a quality assurance external peer review of IAD; (2) the Information Technology Service Division Project Governance audit; (3) the annual Quality Assurance Improvement Program (QAIP); (4) Finance and Operations (FAO) Accounts Receivable Advisory; and, (5) the Motor Vehicle Crime Prevention Authority Audit.

The Quality Assurance Peer Review is currently in the fieldwork phase. The objective is to evaluate IAD's compliance with the Texas Internal Auditing Act, the Institute of Internal Auditor's Global Internal Audit Standards, and the U.S. Government Accountability Office's Government Auditing Standards. The peer review report should be reported during February's Finance and Audit Committee meeting.

Additionally, the Information Technology Governance Audit is currently in the reporting phase. The objective is to evaluate whether the Department's IT project governance and prioritization practices are effectively structured and implemented to address essential aspects of project governance. The evaluation will include organizational and project governance structures, strategic and operational planning, technology planning, project value delivery and realization, IT project risk management, executive leadership, and resource prioritization and deployment. The final report should be completed in December 2025.

Next, IAD finalized the annual QAIP. The objective was to ensure compliance with the professional audit standards requirement to develop and maintain a Quality Assurance and Improvement Program that includes both internal and external assessments. A copy of the report has been included in the board materials.

Additionally, the FAO Accounts Receivable Advisory is in the fieldwork phase. The objective is to review the funds adjustment process; specifically, the Registration and Title System (RTS) and Texas.Gov reconciliation processes, and the Tax Assessor Collector ticketing process.

Finally, the Motor Vehicle Crime Prevention Authority Audit is in the planning phase. The objective is to evaluate the financial grant review and approval processes.

***External Engagements***

The State Auditor's Office (SAO) is conducting an audit on the Department's data governance and management. The audit objectives are to determine whether the Texas Department of Motor Vehicles has implemented data management and data governance programs for managing its data assets; and the status of a prior audit recommendation issued by SAO to the Department in Report #23-020 (related to webDEALER user access). The audit is currently in the fieldwork phase.



# Texas Department *of* Motor Vehicles

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## Quality Assurance and Improvement Program Report 26-02

Internal Audit Division  
December 2025



## Quality Assurance and Improvement Program Report, 26-02

### Executive Summary

The Internal Audit Division (IAD) at the Texas Department of Motor Vehicles (TxDMV or Department) follows (1) the audit standards prescribed by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards), (2) U.S. Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards (GAGAS); and (3) Texas Internal Auditing Act, Texas Government Code. These audit standards require IAD to develop and maintain a Quality Assurance and Improvement Program (QAIP) that includes both internal and external assessments.

Internal assessments include ongoing monitoring of the performance of the internal audit activity as well as annual self-assessment reviews. The IIA Standards require the results of internal assessments to be communicated to the governing board annually.

### WHAT WE FOUND

IAD issued five results from its internal assessment:



**Result #1 and #2:** IAD met compliance and performance audit standards.



**Result #3:** IAD met 3 of 5 metrics in its key performance indicators.



**Result #4:** IAD maintained its level 4 on the capability model.



**Result #5:** IAD received and referred 77 fraud, waste, and abuse allegations.

### WHAT WE RECOMMEND



**Recommendation #1:** IAD should continue tracking all internal and external audit recommendations and ensure that recommendations are being implemented.



**Recommendation #2:** IAD should continue to track and monitor fraud, waste, and abuse complaints received.



## Texas Department of Motor Vehicles

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## Background

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The Internal Audit Division (IAD) at the Texas Department of Motor Vehicles (TxDMV or Department) follows audit standards prescribed by:

- (1) the audit standards prescribed by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards), the Definition of Internal Auditing, the Core Principles for the Professional Practice of Internal Auditing and the Code of Ethics;
- (2) U.S. Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards (GAGAS); and
- (3) Texas Internal Auditing Act, Texas Government Code, Chapter 2102 (Act).

These audit standards require IAD to develop and maintain a Quality Assurance and Improvement Program (QAIP) that includes both internal and external assessments:

**Internal assessments** are ongoing monitoring of the performance of the internal audit activity, as well as annual self-assessment reviews. The IIA Standards require the results of the internal assessments to be communicated to the governing board annually. Internal assessments include a review of all audit documentation, audit recommendations, and reports for each engagement conducted by IAD in a fiscal year (FY) prior to finalizing an engagement file. The annual self-assessment includes verifying that IAD followed all required compliance and performance audit standards. In addition, IAD provides progress and results on the following:

- Key Performance Indicators (KPIs)
- Institute of Internal Auditors (IIA) – Internal Audit Capability Model for the Public Sector (Capability Model)
- Fraud, waste, and abuse allegations and disposition.

**External assessment (Peer Review)** is a review of the IAD conducted by a qualified, knowledgeable external party (Peer Review team). This review results in a report rendering an overall opinion on whether IAD complied with audit standards. The external assessment may also provide feedback on operational or strategic issues. IAD received its most recent Peer Review in March 2021. IAD implemented the Peer Review recommendation in FY2022.

### Audit Engagement Team

The assessment was performed by Erica Evans, Internal Auditor and Danaisha Lewis, Internal Auditor.



## Assessment Results

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### Assessment Result #1: IAD met compliance standards

IAD met all compliance standards based on a review of the IAD's audit charter, standard operating procedures, and engagement control programs. IAD was in adherence with all compliance standards:

- **Purpose, Authority, and Responsibility** - The internal audit function must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Institute of Internal Auditors (IIA) Standards, and the Definition of Internal Auditing). The IAD internal audit charter covering FY2025 was approved by the TxDMV Board in February 2025.
- **Independence and Objectivity** - The internal audit function must be independent and perform work in an objective manner.
- **Proficiency and Due Professional Care** - Engagements must be performed by staff who are proficient and have due professional care.
- **Quality Assurance and Improvement Program** - A quality assurance and improvement program must be established and must enable an evaluation of the internal audit function's conformance with the audit standards and any applicable other requirements. The program should also assess the efficiency and effectiveness of the internal audit function and identify opportunities for improvement for the function.
- **Managing the Internal Audit Activity** - The internal audit function must be effectively managed to ensure it adds value to the organization.
- **Nature of Work** - The internal audit function must evaluate and contribute to the improvement of the organization's governance, risk management, and control processes using a systematic, disciplined, and risk-based approach.
- **Monitoring Progress** - A system to monitor the disposition of results must be established, maintained, and communicated.

## Assessment Result #2: IAD met performance audit standards

IAD reviewed the FY2025 25-03 Fleet Management Audit to determine compliance with performance standards when planning, performing, and communicating engagement. IAD adhered to all performance audit standards:

- **Engagement Planning** - A plan must be developed and documented for each engagement.
- **Performing the Engagement** - Internal auditors must identify, analyze, evaluate, and document sufficient information to achieve the engagement's objectives.
- **Communicating Results** - Results from the audit engagements must be communicated to management and others in charge of governance. Audit results were communicated to the Department's Finance and Operations Division and in the February 2025 Department Board meeting.

## Assessment Result #3: IAD should ensure, when possible, recommendations are implemented timely.

IAD has seven key performance indicators (KPIs) to measure the audit function's effectiveness and efficiency. IAD met 3 of 5 KPIs.

**KPI #1: Percentage of audit recommendations overdue** – IAD monitors the Department's implementation for internal and external audit recommendations. In FY2025, IAD tracked 40 internal audit recommendations.

IAD ended FY2025 with 10 of 40 (25%) audit recommendations overdue not meeting its goal of 20% or less. There are currently 10 overdue internal audit recommendations pending resolution. The Department is currently working with the Information Technology Systems Division on implementing new systems therefore, outstanding items are currently in progress and are being closely monitored.

IAD should continue tracking all internal and external audit recommendations and ensure that divisions are providing status updates on the progress of outstanding recommendations.

**KPI #2: Percentage of audit plan completed** – IAD completed 8 of 10 engagements (80%) listed in the FY2025 Internal Audit Plan, meeting its performance goal of 80%. The two engagements not completed—Information Security Audit and the Internal Audit Division Peer Review—are scheduled for FY2026.

**KPI #3: Percentage of complaint referred or investigated within 10 days** – IAD referred 100% of complaints received within 10 days of exceeding the 80% goal

In FY25 IAD received 77 complaints that consisted of 59 from the State Auditor's Office and 18 from external sources.

**KPI #4: Number of internal audit education efforts conducted annually** – IAD has a goal of completing four educational and outreach efforts. In FY2025, IAD met its goal by conducting five educational and outreach efforts as seen in Figure 2.

*Figure 2: Educational and Outreach Efforts Conducted*

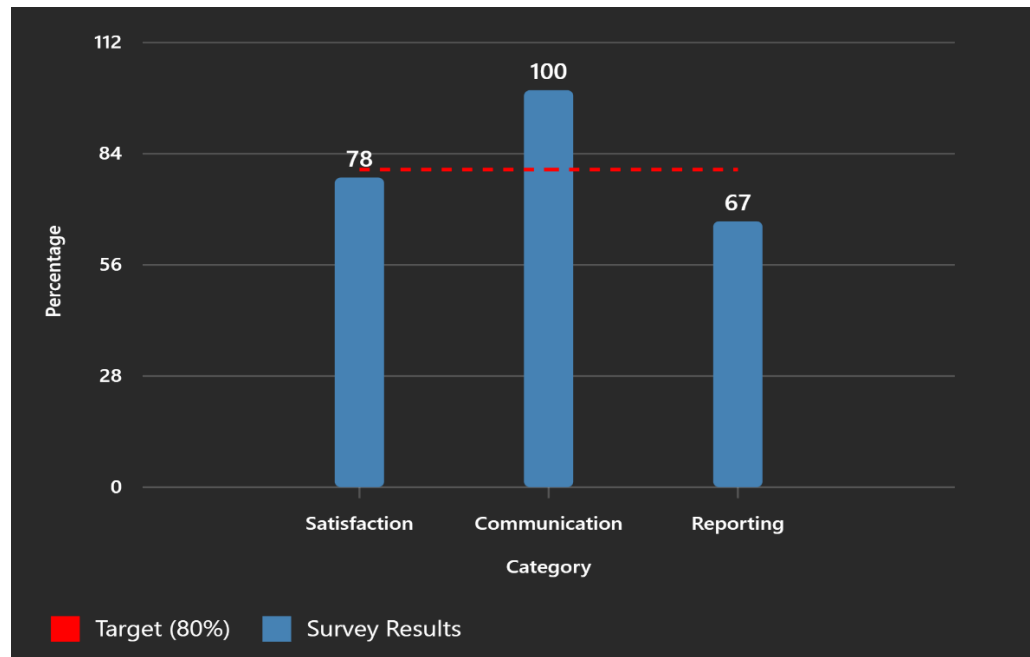
Number	Quarter	Topic	Audience
1	1	Client Educational Updates	Internal
2	1	Client Educational Updates	Internal
3	2	Client Educational Updates	Internal
4	4	Client Educational Updates	Internal
5	4	Client Educational Updates	Internal

**KPI #5, #6, #7: Survey results on client satisfaction, communication, and reporting** – For three KPIs, IAD uses post-engagement surveys to determine Department staff's overall satisfaction with the engagement. The three metrics are:

- **Satisfaction:** Percentage in client survey who agree IAD provided value for the Department and/or Division.
- **Communication:** Percentage in client survey who agree IAD communicated the status of audit work throughout the audit.
- **Reporting:** Percentage in client survey who agree that the audit report was accurate, clear, and engaging to read.

Figure 3 below presents the survey results: satisfaction at 78%, communication at 100%, and reporting at 67%, indicating opportunities for improvement toward the 80% target. These survey results are based on the Fleet Management Audit, Public Information Request Audit, Motor Carrier Licensing Advisory and Quality Assurance Advisory, all of which were completed in FY2025.

*Figure 3: Client Survey Responses*



## Assessment Result #4: IAD maintained its level 4 on the capability model

IAD tracks its effectiveness progress through the *Capability Model for the Public Sector*. The goal for the division is to achieve *Level 5, Optimizing*. In 2018, IAD was at a *Level 2, Informal and Reactive*. Since then, IAD has consistently improved with each fiscal year. In FY2025, IAD maintained a capability model of *Level 4, Predictable*. For example, IAD supports professional bodies, including external participants in education and outreach efforts as mentioned above. Also, IAD reports to top-level authority in the Department for governance structure and IAD provides management with insight into organizational risks.

Figure 4: FY2025 TxDMV IAD Capability Model

	Services and Role of IAD	People Management	Professional Practices	Performance Management and Accountability	Organizational Relationships and Culture	Governance Structures
<b>Level 5 – Optimized</b>	IAD Recognized as Key Agent of Change	Leadership Involvement with Professional Bodies Workforce Projection	Continuous Improvement in Professional Practices Strategic IAD Planning	Outcome Performance and Value to Organization Achieved	Effective and Ongoing Relationships	Independence, Power, and Authority of the IAD Activity

	Services and Role of IAD	People Management	Professional Practices	Performance Management and Accountability	Organizational Relationships and Culture	Governance Structures
<b>Level 4 – Predictable</b>	Overall Assurance on Governance, Risk Management, and Control	Contributes to Management Development  IAD Activity Supports Professional Bodies  Workforce Planning	Audit Strategy Leverages Organization's Management of Risk	Integration of Qualitative and Quantitative Performance Measures	Chief Audit Executive Advises and Influences Top-level Management	Independent Oversight of the IAD Activity  Chief Audit Executive Reports to Top-level Authority
<b>Level 3 – Established</b>	Advisory Services  Performance and Value-for-Money Audits	Team Building and Competency  Professionally Qualified Staff	Quality Management Framework  Risk-based Audit Plans	Performance Measures  Cost Information  IAD Management Reports	Coordination with Other Review Groups  Integral Component of Management Team	Management Oversight of the IAD Activity  Funding Mechanism
<b>Level 2 – Informal and Reactive</b>	Compliance Auditing	Individual Professional Development  Skilled People Identified and Recruited	Professional Practices and Processes Framework  Audit Plan Based on Management/ Stakeholder Priorities	IAD Operating Budget  IAD Business Plan	Managing within the IAD Activity	Full Access to the Organization's Information, Assets, and People  Reporting Relationship Established
<b>Level 1 – Minimal</b>	Ad hoc and unstructured; isolated single audits or reviews of documents and transactions for accuracy and compliance; outputs dependent upon the skills of specific individuals holding the position; no specific professional practices established other than those provided by professional associations; funding approved by management, as needed; absence of infrastructure; auditors likely part of a larger organizational unit; no established capabilities; therefore, no specific key process areas					

## Assessment Result #5: IAD received and tracked 77 fraud, waste, and abuse allegations

IAD tracks and investigates fraud, waste, and abuse (FWA) allegations. The allegations are received from multiple sources: internal sources (employees), external sources, and the State Auditor's Office (SAO). In FY2025, IAD received a total of 77 complaints compared to 65 in FY2024 and 57 in FY2023.

*Figure 5: Fraud, Waste, and Abuse Allegations in FY2023 thru FY2025*

<b>Allegation Type</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Internal	0	0	0
External	8	10	18
SAO	49	55	59
<b>Total</b>	<b>57</b>	<b>65</b>	<b>77</b>

Of the 77 allegations received in FY2025, 59 were referred, 19 were reviewed and closed. In FY2025, the top categories of FWA allegations pertain to dealers (26) and titles (21).

## Appendix 1: Objective, Scope, and Methodology

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### Objective

To provide a summary of the Internal Audit Division activities and compliance with applicable audit standards.

### Scope and Methodology

The scope of the assessment included fiscal year 2025 Internal Audit Division activities. Information and documents reviewed in the assessment included the following:

- End of engagement survey results
- August 2025 approved Internal Audit Charter
- IAD Standard Operating Procedures
- IAD Engagement Control Programs
- TxDMV Operational Plan
- TeamMate+ Audit Programs
- IIA's Capability Model
- Regional Service Centers Audit
- Investigation Processes Audit
- Inventory Assets Audit

### Report Distribution

This report is distributed to the Board of the Texas Department of Motor Vehicles.

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**Board Meeting Date: 12/11/2025**  
**BRIEFING ITEM**

**To:** Texas Department of Motor Vehicles Board  
**From:** Jason Gonzalez, Internal Audit Director  
**Agenda Item:** 12.C  
**Subject:** Internal Audit Annual Report

**RECOMMENDATION**

Briefing Only.

**PURPOSE AND EXECUTIVE SUMMARY**

This status update provides information on current Internal Audit Division (IAD) activities.

**FINANCIAL IMPACT**

N/A

**BACKGROUND AND DISCUSSION**

IAD finalized the Fiscal Year 2025 Internal Audit Report. The objective was to ensure compliance with the Texas Government Code's annual internal audit reporting requirements. The report summarized the IAD's completed audit engagements, advisory services, and risk management activities for the previous fiscal year. A copy of the report has been included in the board materials.





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# Fiscal Year 2025 Internal Audit Annual Report

26 – 01

Internal Audit Division  
October 2025

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## Introduction

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The Internal Audit Division (IAD) at the Texas Department of Motor Vehicles (TxDMV) prepared the Fiscal Year (FY) 2025 Internal Audit Annual Report to meet the requirements of Texas Government Code 2102 using guidelines established by the State Auditor's Office.

In FY2025, IAD completed 10 engagements which consisted of 3 audits, 2 advisory services, 3 follow-ups, and 2 compliance reports that provided management with information and analyses to assist in initiating improvements to operations and to strengthen internal controls. IAD provided advice on governance and other activities to work toward more effective and efficient processes

## **I. Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit Information on the Website**

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Texas Government Code, Section 2102.015 requires state agencies and institutions of higher education to post the entity's internal audit plans and internal audit annual reports on the entity's website within 30 days of approval. The statute also requires the entity to post any weaknesses or concerns resulting from the annual plan or annual report and a summary of actions taken to address the issues raised by the audit plan or annual report.

The Internal Audit Division (IAD) at the Texas Department of Motor Vehicles (TxDMV) posted the following on its [website](#):

- FY 2025 Internal Audit Plan
- FY 2024 Internal Audit Report

## II. Internal Audit Plan for Fiscal Year 2025

The status of the Fiscal Year 2025 internal audit plan engagements is outlined below in Table 1.

Table 1. Fiscal Year 2025 Internal Audit Plan Status

Engagement Number and Name	Type	Division Impacted	Status / Report Date
25-00: Audit Recommendation Implementation Status Follow-Up	Follow-up	Various	Completed January 2025 Completed April 2025 Completed August 2025
25-01: Fiscal Year 2024 Internal Audit Annual Report	Compliance	Internal Audit	Completed October 2024
25-02: Quality Assurance - Internal Assessment	Compliance	Internal Audit	Completed October 2024
25-03: Fleet Management Audit	Audit	Finance and Operations	Completed February 2025
25-04: Consumer Relations Quality Assurance	Advisory	Consumer Relations	Completed February 2025
25-05: Public Information Request	Audit	Office of General Counsel	Completed July 2025
25-06: Motor Carrier Licensing	Advisory	Motor Carrier	Completed June 2025
25-07: Information Technology Governance	Audit	Information Technology	In progress

### Internal Audit Plan Deviations

IAD submitted the FY 2025 Internal Audit Plan in August 2024. There were no deviations to the Board-approved audit plan in FY 2025.

### III. Consulting Services and Nonaudit Services Completed

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#### Consulting Services

IAD conducted two advisory services, or consulting services, during FY2025. The advisory services were related to consumer relations quality assurance and motor carrier licensing processes.

The consumer relations advisory objective was to evaluate the Consumer Relations Division's quality assurance processes.

The motor carrier advisory objectives were to evaluate the licensing/renewal process for credentialing for the Motor Carrier Division through:

- An evaluation of current Motor Carrier Credentialing System (MCCS) controls.
- A gap analysis between MCCS and the new next generation credentialing system.
- Assessment of potential fraud risks in the credentialing process.

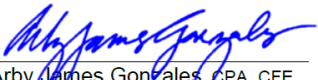
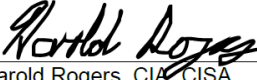
#### Nonaudit Services

IAD provided non-audit services during FY2025 which included coordinating external audits and reviews, providing advice on several Department workgroups, and participating as a non-voting member in the enterprise project governance process.

## IV. External Quality Assurance Review

IAD went through an external quality assurance review (peer review) in Fiscal Year 2021. Representatives of the State Agency Internal Audit Forum performed the peer review in accordance with current peer review policies and procedures. On March 2021, IAD received a rating of “pass” out of three possible ratings: pass, pass with deficiencies, or fail (see Figure 1).

Figure 1. Peer Review Opinion

Texas Department of Motor Vehicles Internal Audit Division External Quality Assurance Review – March 2021	
<b>Overall Opinion</b>	
<p>Based on the information received and evaluated during this external quality assurance review, it is our opinion that the Texas Department of Motor Vehicles Internal Audit Division receives a rating of <b>“Pass/Generally Conforms”</b> and is in compliance with the Institute of Internal Auditors (IIA) <i>International Standards for the Professional Practice of Internal Auditing</i> and Code of Ethics, the United States Government Accountability Office (GAO) <i>Government Auditing Standards</i>, and the Texas Internal Auditing Act (Texas Government Code, Chapter 2102). This opinion, which is the highest of the three possible ratings, means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function.</p> <p>The Internal Audit Division is independent, objective, and provides impartial and unbiased judgments on the audit work performed. Division staff are qualified, proficient, and knowledgeable in the areas they audit. Individual audit projects are planned using risk assessment techniques; audit conclusions are supported in the working papers; and findings and recommendations are clear and concise.</p> <p>The Internal Audit Division is well managed. In addition, the Division has effective relationships with the Board and is well respected and supported by management. Surveys and interviews conducted during the quality assurance review indicate that management considers Internal Audit a useful part of the overall Department operations and finds that the audit process and report recommendations add value and help improve the Department’s operations.</p> <p>The Internal Audit Division has reviewed the results of the peer review team’s work and has accepted them to be an accurate representation of the Division’s operations.</p>	
<b>Acknowledgements</b>	
<p>We appreciate the courtesy and cooperation extended to us by the Internal Audit Division Director, Internal Audit staff, the Chairman of the Board and the Chair of the Finance and Audit Committee, the Executive Director, and the senior managers who participated in the interview process. We would also like to thank each person who completed surveys for the quality assurance review. The feedback from the surveys and the interviews provided valuable information regarding the operations of the Internal Audit Division and its relationship with management.</p>	
 Arby James Gonzales, CPA, CFE Internal Audit Director Texas Division of Insurance SAIAF Peer Review Team Leader	April 21, 2021 Date
 Harold Rogers, CIA, CISA Internal Auditor Texas Workforce Commission SAIAF Peer Review Team Member	April 21, 2021 Date

## V. Internal Audit Plan for Fiscal Year 2026

### Fiscal Year 2026 Engagements

The TxDMV Board approved the Fiscal Year 2026 Internal Audit Plan on September 18, 2025. The audit plan included 10 planned engagements (Table 2), six alternative engagements (Table 3), value-added services, and division initiatives.

Table 2. Fiscal Year 2026 Planned Engagements

Topic	Potential Objective
Cybersecurity Audit	This audit could evaluate the effectiveness of cybersecurity training and identify whether cybersecurity metrics are defined and effective.
Motor Vehicle Crime Prevention Authority Grant Approval Audit	This audit could evaluate the financial grant review/approval processes used to provide grant funding and the established criteria for scoring grant applications ensuring appropriate and consistent steps are taken throughout scoring process.
Travel and Training Reimbursement Audit	This audit could provide insight into the current approval and review processes involving travel payments or reimbursement and their compliance with current Department policy.
Offboarding and Access Management Audit	This audit could evaluate how the Department maintains effective access management relative to the offboarding of staff.
License Plate Inventory Management Advisory	This advisory could review the design of newly implemented license plate inventory distribution and management processes.
Accounts Receivable Funds Adjustment Advisory	This advisory could review the funds adjustment process; specifically, the RTS and Tx.GOV reconciliation process, and the Tax Assessor Collector ticketing process.
FY 2025 Internal Audit Annual Report	A report produced in FY 2026 that summarizes IAD's activities conducted in FY 2025. This report will be submitted to the State Auditor's Office.
Quality Assurance and Improvement Program - Internal Assessment	A report produced in FY 2026. This is an internal assessment to determine IAD's compliance with audit standards and performance.
Audit Recommendation Implementation Status	An engagement to verify if outstanding audit recommendations have been fully implemented.



Topic	Potential Objective
FY 2027 Risk Assessment and Internal Audit Plan	An enterprise-wide risk assessment to identify risk areas for the upcoming year. The Internal Audit Plan will be submitted to the State Auditor's Office.
Internal Audit division Peer Review	Representatives of the State Agency Internal Audit Forum will perform a peer review in accordance with current peer review policies and procedures.

Table 3. FY 2026 Alternative Engagements

Topic	Potential Objective
Regional Service Center Roles and Responsibilities Audit	This audit could evaluate the RSC transaction oversight and quality assurance processes to ensure that transactions are accurate.
ITSD Business Return on Investment Audit	This audit could evaluate the effectiveness of return on investment and whether selected projects are evaluated to ensure they meet stakeholder needs.
Special Plates Audit	This audit could evaluate the process and controls in processing special plates, such as personalized and military service license plates.
Contract Monitoring Audit	This audit could evaluate the Department's monitoring processes to determine whether contracts are being managed efficiently and effectively.
Motor Vehicle Division Dealer Licensing Advisory	This advisory could review the Department's current processes on validating dealer applicant identity and determine whether the process is operating efficiently.
Mobile RSC Special Project	This project consists of developing a strategy document for management to initiate discussion on a mobile RSC platform.

## Value-Added Services and Division Initiatives

### Value-Added Services

- **Investigations on Fraud, Waste, and Abuse:** Detecting, tracking, and reviewing any internal fraud, waste, and abuse allegations, complaints from external parties, and those from the State Auditor's Office. IAD investigates internal fraud, waste, and abuse allegations.
- **External Audit/Review Coordination:** Coordinating external audits or reviews by providing audit status updates and facilitating management responses to recommendations.
- **Workgroup Participation / Ad-hoc Advisory:** Participating in TxDMV workgroups, such as the Executive Steering Committee and the Governance Team, to help identify unforeseen risks in enterprise projects or activities. IAD also sets aside hours to address any short-term assessment

or information requests by TxDMV staff.

- **Department Training:** Providing training to help TxDMV staff understand the role of IAD and staff's responsibilities in recommendation implementation and prevention of fraud, waste, and abuse.

#### Division Initiatives

- **TeamMate+ Process Optimization:** Enhancing the software's functionality by continuing to update the risks stored within the software, creating and automating reports, and staying current on best practices for optimized software functionality.
- **Staff Development & Hiring:** Taking the minimum required hours of training each year (40 hours) in accordance with auditing standards. This includes creating development plans to obtain required knowledge, skills, and abilities for audit and advisory services. Hiring internal audit staff to fill IAD vacancies and providing training to integrate new hires into the office.

#### Risk Assessment Methodology

The audit plan was developed using a risk-based methodology, which incorporated input from TxDMV board members, executive management, division management, and risks identified by the audit team through previous fiscal year engagements and observations. IAD also reviewed internal audit and industry publications to identify and rank potential audit topics. In addition, IAD collected information on the potential controls that were in place to mitigate the identified risks.

Each risk was reviewed using approved Department risk guidance that took into consideration the following factors: financial impact, operational effectiveness and efficiency impact, legal or regulatory impact, brand or reputational impact, degree of change in the program/function/process, degree of complexity, degree of centralization, and control design strength. Risks were scored using the factors mentioned to determine the engagements in the audit plan.

## VI. External Audit Services Procured in Fiscal Year 2025

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TxDMV procured external audit services during FY2025:

- Weaver is conducting a co-sourced audit (Information Technology Project Governance), which will be completed in Fiscal Year 2026.

## VII. Reporting Suspected Fraud and Abuse

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TxDMV has taken the following actions to implement the fraud detection and reporting requirements of Section 7.09 of the General Appropriations Act and Section 321.022 of the Texas Government Code:

- TxDMV's Internal Audit intranet site includes a section on reporting fraud, waste, or abuse.
- TxDMV's public-facing website includes a "Report Fraud, Waste or Abuse" link to the State Auditor's Office "Reporting Fraud" page. This link is also provided on the Internal Audit Division's webpage.
- TxDMV's Fraud, Waste, and Abuse Policy includes definitions, examples, and procedures on how to report detected or suspected fraud, waste, or abuse.
- IAD evaluates all instances of fraud, waste, or abuse reported to IAD to determine appropriate action. If the Internal Audit Director has reasonable cause to believe that fraudulent or unlawful conduct has occurred in relation to the operation of the TxDMV, the Director will work with appropriate parties and notify the SAO.



Texas Department  
*of* Motor Vehicles